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RULES COMMITTEE PRINT 114-36

TEXT OF H.R. 8, NORTH AMERICAN ENERGY SECURITY AND INFRASTRUCTURE ACT OF 2015

[Showing the text of H.R. 8, as ordered reported by the Committee on Energy and Commerce, and the texts of H.R. 2295 and H.R. 2358, as reported by the Committee on Natural Resources.]

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''North American Energy Security and Infrastructure Act of 2015''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—MODERNIZING AND PROTECTING INFRASTRUCTURE

Subtitle A—Energy Delivery, Reliability, and Security

SEC. 1101. FERC PROCESS COORDINATION.

Section 15 of the Natural Gas Act (15 U.S.C. 717n) is amended—

(1) by amending subsection (b)(2) to read as follows:

''(2) OTHER AGENCIES.—

''(A) IN GENERAL.—Each Federal and State agency considering an aspect of an application for Federal authorization shall cooperate with the Commission and comply with the deadlines established by the Commission.

''(B) IDENTIFICATION.—The Commission shall identify, as early as practicable after it is notified by a prospective applicant of a potential

project requiring Commission authorization, any Federal or State agency, local government, or Indian tribe that may consider an aspect of an application for that Federal authorization.

''(C) NOTIFICATION.—

''(i) IN GENERAL.—The Commission shall notify any agency identified under subparagraph (B) of the opportunity to cooperate or participate in the review process.

''(ii) DEADLINE.—A notification issued under clause (i) shall establish a deadline by which a response to the notification shall be submitted, which may be extended by the Commission for good cause.'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking ''and'' at the end of subparagraph (A);

(ii) by redesignating subparagraph (B) as subparagraph (C); and

(iii) by inserting after subparagraph (A) the following new subparagraph:

''(B) set deadlines for all such Federal authorizations; and'';

(B) by striking paragraph (2); and

(C) by adding at the end the following new paragraphs:

''(2) DEADLINE FOR FEDERAL AUTHORIZATIONS.—A final decision on a Federal authorization is due no later than 90 days after the Commission issues its final environmental document, unless a schedule is otherwise established by Federal law.

''(3) CONCURRENT REVIEWS.—Each Federal and State agency considering an aspect of an application for a Federal authorization shall—

''(A) carry out the obligations of that agency under applicable law concurrently, and in conjunction, with the review required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), unless doing so would impair the ability of the agency to conduct needed analysis or otherwise carry out those obligations;

''(B) formulate and implement administrative, policy, and procedural mechanisms to enable the agency to ensure completion of required Federal authorizations no later than 90

days after the Commission issues its final environmental document; and

''(C) transmit to the Commission a statement—

''(i) acknowledging receipt of the schedule established under paragraph (1); and

''(ii) setting forth the plan formulated under subparagraph (B) of this paragraph.

''(4) ISSUE IDENTIFICATION AND RESOLUTION.—

''(A) IDENTIFICATION.—Federal and State agencies that may consider an aspect of an application for Federal authorization shall identify, as early as possible, any issues of concern that may delay or prevent an agency from working with the Commission to resolve such issues and granting such authorization.

''(B) ISSUE RESOLUTION.—The Commission may forward any issue of concern identified under subparagraph (A) to the heads of the relevant agencies (including, in the case of a failure by the State agency, the Federal agency overseeing the delegated authority) for resolution.

''(5) FAILURE TO MEET SCHEDULE.—If a Federal or State agency does not complete a proceeding for an approval that is required for a Federal authorization in accordance with the schedule established by the Commission under paragraph (1)—

''(A) the applicant may pursue remedies under section 19(d); and

''(B) the head of the relevant Federal agency (including, in the case of a failure by a State agency, the Federal agency overseeing the delegated authority) shall notify Congress and the Commission of such failure and set forth a recommended implementation plan to ensure completion of the proceeding for an approval.'';

(3) by redesignating subsections (d) through (f) as subsections (g) through (i), respectively; and

(4) by inserting after subsection (c) the following new subsections:

''(d) REMOTE SURVEYS.—If a Federal or State agency considering an aspect of an application for Federal authorization requires the applicant to submit environmental data, the agency shall consider any such data gathered by aerial or other remote means that the applicant submits. The agency may grant a conditional approval for

Federal authorization, conditioned on the verification of such data by subsequent onsite inspection.

''(e) APPLICATION PROCESSING.—The Commission, and Federal and State agencies, may allow an applicant seeking Federal authorization to fund a third-party contractor to assist in reviewing the application.

''(f) ACCOUNTABILITY, TRANSPARENCY, EFFICIENCY.—For applications requiring multiple Federal authorizations, the Commission, with input from any Federal or State agency considering an aspect of an application, shall track and make available to the public on the Commission's website information related to the actions required to complete permitting, reviews, and other actions required. Such information shall include the following:

''(1) The schedule established by the Commission under subsection (c)(1).

''(2) A list of all the actions required by each applicable agency to complete permitting, reviews, and other actions necessary to obtain a final decision on the Federal authorization.

''(3) The expected completion date for each such action.

''(4) A point of contact at the agency accountable for each such action.

''(5) In the event that an action is still pending as of the expected date of completion, a brief explanation of the reasons for the delay.''.

SEC. 1102. RESOLVING ENVIRONMENTAL AND GRID RELIABILITY CONFLICTS.

(a) COMPLIANCE WITH OR VIOLATION OF ENVIRONMENTAL LAWS WHILE UNDER EMERGENCY ORDER.—Section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) is amended—

(1) by inserting ''(1)'' after ''(c)''; and

(2) by adding at the end the following:

''(2) With respect to an order issued under this subsection that may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation, the Commission shall ensure that such order requires generation, delivery, interchange, or transmission of electric energy only during hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation and minimizes any adverse environmental impacts.

''(3) To the extent any omission or action taken by a party, that is necessary to comply with an order issued under this subsection, including any omission or action taken to voluntarily comply with such order, results in

noncompliance with, or causes such party to not comply with, any Federal, State, or local environmental law or regulation, such omission or action shall not be considered a violation of such environmental law or regulation, or subject such party to any requirement, civil or criminal liability, or a citizen suit under such environmental law or regulation.

''(4)(A) An order issued under this subsection that may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation shall expire not later than 90 days after it is issued. The Commission may renew or reissue such order pursuant to paragraphs (1) and (2) for subsequent periods, not to exceed 90 days for each period, as the Commission determines necessary to meet the emergency and serve the public interest.

''(B) In renewing or reissuing an order under subparagraph (A), the Commission shall consult with the primary Federal agency with expertise in the environmental interest protected by such law or regulation, and shall include in any such renewed or reissued order such conditions as such Federal agency determines necessary to minimize any adverse environmental impacts to the extent practicable. The conditions, if any, submitted by such Federal agency shall be made available to the public. The Commission may exclude such a condition from the re-

newed or reissued order if it determines that such condition would prevent the order from adequately addressing the emergency necessitating such order and provides in the order, or otherwise makes publicly available, an explanation of such determination.

''(5) If an order issued under this subsection is subsequently stayed, modified, or set aside by a court pursuant to section 313 or any other provision of law, any omission or action previously taken by a party that was necessary to comply with the order while the order was in effect, including any omission or action taken to voluntarily comply with the order, shall remain subject to paragraph (3).''.

(b) TEMPORARY CONNECTION OR CONSTRUCTION BY MUNICIPALITIES.—Section 202(d) of the Federal Power Act (16 U.S.C. 824a(d)) is amended by inserting ''or municipality'' before ''engaged in the transmission or sale of electric energy''.

SEC. 1103. EMERGENCY PREPAREDNESS FOR ENERGY SUPPLY DISRUPTIONS.

(a) FINDING.—Congress finds that recent natural disasters have underscored the importance of having resilient oil and natural gas infrastructure and effective ways for industry and government to communicate to address energy supply disruptions.

(b) AUTHORIZATION FOR ACTIVITIES TO ENHANCE EMERGENCY PREPAREDNESS FOR NATURAL DISASTERS.—The Secretary of Energy shall develop and adopt procedures to—

(1) improve communication and coordination between the Department of Energy's energy response team, Federal partners, and industry;

(2) leverage the Energy Information Administration's subject matter expertise within the Department's energy response team to improve supply chain situation assessments;

(3) establish company liaisons and direct communication with the Department's energy response team to improve situation assessments;

(4) streamline and enhance processes for obtaining temporary regulatory relief to speed up emergency response and recovery;

(5) facilitate and increase engagement among States, the oil and natural gas industry, and the Department in developing State and local energy assurance plans;

(6) establish routine education and training programs for key government emergency response positions with the Department and States; and

(7) involve States and the oil and natural gas industry in comprehensive drill and exercise programs.

(c) COOPERATION.—The activities carried out under subsection (b) shall include collaborative efforts with State and local government officials and the private sector.

(d) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall submit to Congress a report describing the effectiveness of the activities authorized under this section.

SEC. 1104. CRITICAL ELECTRIC INFRASTRUCTURE SECURITY.

(a) CRITICAL ELECTRIC INFRASTRUCTURE SECURITY.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding after section 215 the following new section:

"SEC. 215A. CRITICAL ELECTRIC INFRASTRUCTURE SECURITY.

''(a) DEFINITIONS.—For purposes of this section:

''(1) BULK-POWER SYSTEM; ELECTRIC RELIABILITY ORGANIZATION; REGIONAL ENTITY.—The terms 'bulk-power system', 'Electric Reliability Organization', and 'regional entity' have the meanings given such terms in paragraphs (1), (2), and (7) of section 215(a), respectively.

''(2) CRITICAL ELECTRIC INFRASTRUCTURE.—The term 'critical electric infrastructure' means a system or asset of the bulk-power system, whether physical or virtual, the incapacity or destruction of which would negatively affect national security, economic security, public health or safety, or any combination of such matters.

''(3) CRITICAL ELECTRIC INFRASTRUCTURE INFORMATION.—The term 'critical electric infrastructure information' means information related to critical electric infrastructure, or proposed critical electrical infrastructure, generated by or provided to the Commission or other Federal agency, other than classified national security information, that is designated as critical electric infrastructure information by the Commission under subsection (d)(2). Such term includes information that qualifies as critical energy infrastructure information under the Commission's regulations.

''(4) DEFENSE CRITICAL ELECTRIC INFRASTRUCTURE.—The term 'defense critical electric infrastructure' means any electric infrastructure located in the United States (including the territories) that serves a facility designated by the Secretary

pursuant to subsection (c), but is not owned or operated by the owner or operator of such facility.

''(5) ELECTROMAGNETIC PULSE.—The term 'electromagnetic pulse' means 1 or more pulses of electromagnetic energy emitted by a device capable of disabling or disrupting operation of, or destroying, electronic devices or communications networks, including hardware, software, and data, by means of such a pulse.

''(6) GEOMAGNETIC STORM.—The term 'geomagnetic storm' means a temporary disturbance of the Earth's magnetic field resulting from solar activity.

''(7) GRID SECURITY EMERGENCY.—The term 'grid security emergency' means the occurrence or imminent danger of—

''(A)(i) a malicious act using electronic communication or an electromagnetic pulse, or a geomagnetic storm event, that could disrupt the operation of those electronic devices or communications networks, including hardware, software, and data, that are essential to the reliability of critical electric infrastructure or of defense critical electric infrastructure; and

''(ii) disruption of the operation of such devices or networks, with significant adverse effects on the reliability of critical electric infrastructure or of defense critical electric infrastructure, as a result of such act or event; or

''(B)(i) a direct physical attack on critical electric infrastructure or on defense critical electric infrastructure; and

''(ii) significant adverse effects on the reliability of critical electric infrastructure or of defense critical electric infrastructure as a result of such physical attack.

''(8) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

''(b) AUTHORITY TO ADDRESS GRID SECURITY EMERGENCY.—

''(1) AUTHORITY.—Whenever the President issues and provides to the Secretary a written directive or determination identifying a grid security emergency, the Secretary may, with or without notice, hearing, or report, issue such orders for emergency measures as are necessary in the judgment of the Secretary to protect or restore the reliability of critical electric infrastructure or of defense critical electric infrastructure during such emergency. As

soon as practicable but not later than 180 days after the date of enactment of this section, the Secretary shall, after notice and opportunity for comment, establish rules of procedure that ensure that such authority can be exercised expeditiously.

''(2) NOTIFICATION OF CONGRESS.—Whenever the President issues and provides to the Secretary a written directive or determination under paragraph (1), the President shall promptly notify congressional committees of relevant jurisdiction, including the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, of the contents of, and justification for, such directive or determination.

''(3) CONSULTATION.—Before issuing an order for emergency measures under paragraph (1), the Secretary shall, to the extent practicable in light of the nature of the grid security emergency and the urgency of the need for action, consult with appropriate governmental authorities in Canada and Mexico, entities described in paragraph (4), the Electricity Sub-sector Coordinating Council, the Commission, and other appropriate Federal agencies regarding implementation of such emergency measures.

''(4) APPLICATION.—An order for emergency measures under this subsection may apply to—

''(A) the Electric Reliability Organization;

''(B) a regional entity; or

''(C) any owner, user, or operator of critical electric infrastructure or of defense critical electric infrastructure within the United States.

''(5) EXPIRATION AND REISSUANCE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an order for emergency measures issued under paragraph (1) shall expire no later than 15 days after its issuance.

''(B) EXTENSIONS.—The Secretary may reissue an order for emergency measures issued under paragraph (1) for subsequent periods, not to exceed 15 days for each such period, provided that the President, for each such period, issues and provides to the Secretary a written directive or determination that the grid security emergency identified under paragraph (1) continues to exist or that the emergency measure continues to be required.

''(6) COST RECOVERY.—

''(A) CRITICAL ELECTRIC INFRASTRUCTURE.—If the Commission determines that

owners, operators, or users of critical electric infrastructure have incurred substantial costs to comply with an order for emergency measures issued under this subsection and that such costs were prudently incurred and cannot reasonably be recovered through regulated rates or market prices for the electric energy or services sold by such owners, operators, or users, the Commission shall, consistent with the requirements of section 205, after notice and an opportunity for comment, establish a mechanism that permits such owners, operators, or users to recover such costs.

''(B) DEFENSE CRITICAL ELECTRIC INFRASTRUCTURE.—To the extent the owner or operator of defense critical electric infrastructure is required to take emergency measures pursuant to an order issued under this subsection, the owners or operators of a critical defense facility or facilities designated by the Secretary pursuant to subsection (c) that rely upon such infrastructure shall bear the full incremental costs of the measures.

''(7) TEMPORARY ACCESS TO CLASSIFIED INFORMATION.—The Secretary, and other appropriate

Federal agencies, shall, to the extent practicable and consistent with their obligations to protect classified information, provide temporary access to classified information related to a grid security emergency for which emergency measures are issued under paragraph (1) to key personnel of any entity subject to such emergency measures to enable optimum communication between the entity and the Secretary and other appropriate Federal agencies regarding the grid security emergency.

''(c) DESIGNATION OF CRITICAL DEFENSE FACILITIES.—Not later than 180 days after the date of enactment of this section, the Secretary, in consultation with other appropriate Federal agencies and appropriate owners, users, or operators of infrastructure that may be defense critical electric infrastructure, shall identify and designate facilities located in the United States (including the territories) that are—

''(1) critical to the defense of the United States; and

''(2) vulnerable to a disruption of the supply of electric energy provided to such facility by an external provider.

The Secretary may, in consultation with appropriate Federal agencies and appropriate owners, users, or operators

of defense critical electric infrastructure, periodically revise the list of designated facilities as necessary.

''(d) PROTECTION AND SHARING OF CRITICAL ELECTRIC INFRASTRUCTURE INFORMATION.—

''(1) PROTECTION OF CRITICAL ELECTRIC INFRASTRUCTURE INFORMATION.—Critical electric infrastructure information—

''(A) shall be exempt from disclosure under section 552(b)(3) of title 5, United States Code; and

''(B) shall not be made available by any Federal, State, political subdivision or tribal authority pursuant to any Federal, State, political subdivision or tribal law requiring public disclosure of information or records.

''(2) DESIGNATION AND SHARING OF CRITICAL ELECTRIC INFRASTRUCTURE INFORMATION.—Not later than one year after the date of enactment of this section, the Commission, in consultation with the Secretary of Energy, shall promulgate such regulations and issue such orders as necessary to—

''(A) designate information as critical electric infrastructure information;

''(B) prohibit the unauthorized disclosure of critical electric infrastructure information;

''(C) ensure there are appropriate sanctions in place for Commissioners, officers, employees, or agents of the Commission who knowingly and willfully disclose critical electric infrastructure information in a manner that is not authorized under this section; and

''(D) taking into account standards of the Electric Reliability Organization, facilitate voluntary sharing of critical electric infrastructure information with, between, and by—

''(i) Federal, State, political subdivision, and tribal authorities;

''(ii) the Electric Reliability Organization;

''(iii) regional entities;

''(iv) information sharing and analysis centers established pursuant to Presidential Decision Directive 63;

''(v) owners, operators, and users of critical electric infrastructure in the United States; and

''(vi) other entities determined appropriate by the Commission.

''(3) CONSIDERATIONS.—In promulgating regulations and issuing orders under paragraph (2), the

Commission shall take into consideration the role of State commissions in reviewing the prudence and cost of investments, determining the rates and terms of conditions for electric services, and ensuring the safety and reliability of the bulk-power system and distribution facilities within their respective jurisdictions.

''(4) PROTOCOLS.—The Commission shall, in consultation with Canadian and Mexican authorities, develop protocols for the voluntary sharing of critical electric infrastructure information with Canadian and Mexican authorities and owners, operators, and users of the bulk-power system outside the United States.

''(5) NO REQUIRED SHARING OF INFORMATION.—Nothing in this section shall require a person or entity in possession of critical electric infrastructure information to share such information with Federal, State, political subdivision, or tribal authorities, or any other person or entity.

''(6) SUBMISSION OF INFORMATION TO CONGRESS.—Nothing in this section shall permit or authorize the withholding of information from Congress, any committee or subcommittee thereof, or the Comptroller General.

''(7) DISCLOSURE OF NONPROTECTED INFORMATION.—In implementing this section, the Commission shall protect from disclosure only the minimum amount of information necessary to protect the security and reliability of the bulk-power system and distribution facilities. The Commission shall segregate critical electric infrastructure information within documents and electronic communications, wherever feasible, to facilitate disclosure of information that is not designated as critical electric infrastructure information.

''(8) DURATION OF DESIGNATION.—Information may not be designated as critical electric infrastructure information for longer than 5 years, unless specifically re-designated by the Commission.

''(9) REMOVAL OF DESIGNATION.—The Commission shall remove the designation of critical electric infrastructure information, in whole or in part, from a document or electronic communication if the Commission determines that the unauthorized disclosure of such information could no longer be used to impair the security or reliability of the bulk-power system or distribution facilities.

''(10) JUDICIAL REVIEW OF DESIGNATIONS.—Notwithstanding section 313(b), any determination

by the Commission concerning the designation of critical electric infrastructure information under this subsection shall be subject to review under chapter 7 of title 5, United States Code, except that such review shall be brought in the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in the District of Columbia. In such a case the court shall examine in camera the contents of documents or electronic communications that are the subject of the determination under review to determine whether such documents or any part thereof were improperly designated or not designated as critical electric infrastructure information.

''(e) SECURITY CLEARANCES.—The Secretary shall facilitate and, to the extent practicable, expedite the acquisition of adequate security clearances by key personnel of any entity subject to the requirements of this section, to enable optimum communication with Federal agencies regarding threats to the security of the critical electric infrastructure. The Secretary, the Commission, and other appropriate Federal agencies shall, to the extent practicable and consistent with their obligations to protect classified and critical electric infrastructure information, share timely actionable information regarding grid security with ap-

propriate key personnel of owners, operators, and users of the critical electric infrastructure.

''(f) CLARIFICATIONS OF LIABILITY.—

''(1) COMPLIANCE WITH OR VIOLATION OF THIS ACT.—Except as provided in paragraph (4), to the extent any action or omission taken by an entity that is necessary to comply with an order for emergency measures issued under subsection (b)(1), including any action or omission taken to voluntarily comply with such order, results in noncompliance with, or causes such entity not to comply with any rule, order, regulation, or provision of this Act, including any reliability standard approved by the Commission pursuant to section 215, such action or omission shall not be considered a violation of such rule, order, regulation, or provision.

''(2) RELATION TO SECTION 202(c).—Except as provided in paragraph (4), an action or omission taken by an owner, operator, or user of critical electric infrastructure or of defense critical electric infrastructure to comply with an order for emergency measures issued under subsection (b)(1) shall be treated as an action or omission taken to comply with an order issued under section 202(c) for purposes of such section.

''(3) SHARING OR RECEIPT OF INFORMATION.—No cause of action shall lie or be maintained in any Federal or State court for the sharing or receipt of information under, and that is conducted in accordance with, subsection (d).

''(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to require dismissal of a cause of action against an entity that, in the course of complying with an order for emergency measures issued under subsection (b)(1) by taking an action or omission for which they would be liable but for paragraph (1) or (2), takes such action or omission in a grossly negligent manner.''.

(b) CONFORMING AMENDMENTS.—

(1) JURISDICTION.—Section 201(b)(2) of the Federal Power Act (16 U.S.C. 824(b)(2)) is amended by inserting ''215A,'' after ''215,'' each place it appears.

(2) PUBLIC UTILITY.—Section 201(e) of the Federal Power Act (16 U.S.C. 824(e)) is amended by inserting ''215A,'' after ''215,''.

SEC. 1105. STRATEGIC TRANSFORMER RESERVE.

(a) FINDING.—Congress finds that the storage of strategically located spare large power transformers and emergency mobile substations will reduce the vulnerability

of the United States to multiple risks facing electric grid reliability, including physical attack, cyber attack, electromagnetic pulse, geomagnetic disturbances, severe weather, and seismic events.

(b) DEFINITIONS.—In this section:

(1) BULK-POWER SYSTEM.—The term ''bulk-power system'' has the meaning given such term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(2) CRITICALLY DAMAGED LARGE POWER TRANSFORMER.—The term ''critically damaged large power transformer'' means a large power transformer that—

(A) has sustained extensive damage such that—

(i) repair or refurbishment is not economically viable; or

(ii) the extensive time to repair or refurbish the large power transformer would create an extended period of instability in the bulk-power system; and

(B) prior to sustaining such damage, was part of the bulk-power system.

(3) CRITICAL ELECTRIC INFRASTRUCTURE.—The term ''critical electric infrastructure'' has the

meaning given that term in section 215A of the Federal Power Act.

(4) ELECTRIC RELIABILITY ORGANIZATION.—The term ''Electric Reliability Organization'' has the meaning given such term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(5) EMERGENCY MOBILE SUBSTATION.—The term ''emergency mobile substation'' means a mobile substation or mobile transformer that is—

(A) assembled and permanently mounted on a trailer that is capable of highway travel and meets relevant Department of Transportation regulations; and

(B) intended for express deployment and capable of being rapidly placed into service.

(6) LARGE POWER TRANSFORMER.—The term ''large power transformer'' means a power transformer with a maximum nameplate rating of 100 megavolt-amperes or higher, including related critical equipment, that is, or is intended to be, a part of the bulk-power system.

(7) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(8) SPARE LARGE POWER TRANSFORMER.—The term ''spare large power transformer'' means a large

power transformer that is stored within the Strategic Transformer Reserve to be available to temporarily replace a critically damaged large power transformer.

(c) STRATEGIC TRANSFORMER RESERVE PLAN.—

(1) PLAN.—Not later than one year after the date of enactment of this Act, the Secretary, acting through the Office of Electricity Delivery and Energy Reliability, shall, in consultation with the Federal Energy Regulatory Commission, the Electricity Sub-sector Coordinating Council, the Electric Reliability Organization, and owners and operators of critical electric infrastructure and defense and military installations, prepare and submit to Congress a plan to establish a Strategic Transformer Reserve for the storage, in strategically located facilities, of spare large power transformers and emergency mobile substations in sufficient numbers to temporarily replace critically damaged large power transformers and substations that are critical electric infrastructure or serve defense and military installations.

(2) INCLUSIONS.—The Strategic Transformer Reserve plan shall include a description of—

(A) the appropriate number and type of spare large power transformers necessary to

provide or restore sufficient resiliency to the bulk-power system, critical electric infrastructure, and defense and military installations to mitigate significant impacts to the electric grid resulting from—

(i) physical attack;

(ii) cyber attack;

(iii) electromagnetic pulse attack;

(iv) geomagnetic disturbances;

(v) severe weather; or

(vi) seismic events;

(B) other critical electric grid equipment for which an inventory of spare equipment, including emergency mobile substations, is necessary to provide or restore sufficient resiliency to the bulk-power system, critical electric infrastructure, and defense and military installations;

(C) the degree to which utility sector actions or initiatives, including individual utility ownership of spare equipment, joint ownership of spare equipment inventory, sharing agreements, or other spare equipment reserves or arrangements, satisfy the needs identified under subparagraphs (A) and (B);

(D) the potential locations for, and feasibility and appropriate number of, strategic storage locations for reserve equipment, including consideration of—

(i) the physical security of such locations;

(ii) the protection of the confidentiality of such locations; and

(iii) the proximity of such locations to sites of potentially critically damaged large power transformers and substations that are critical electric infrastructure or serve defense and military installations, so as to enable efficient delivery of equipment to such sites;

(E) the necessary degree of flexibility of spare large power transformers to be included in the Strategic Transformer Reserve to conform to different substation configurations, including consideration of transformer—

(i) power and voltage rating for each winding;

(ii) overload requirements;

(iii) impedance between windings;

(iv) configuration of windings; and

(v) tap requirements;

(F) an estimate of the direct cost of the Strategic Transformer Reserve, as proposed, including—

(i) the cost of storage facilities;

(ii) the cost of the equipment; and

(iii) management, maintenance, and operation costs;

(G) the funding options available to establish, stock, manage, and maintain the Strategic Transformer Reserve, including consideration of fees on owners and operators of bulk-power system facilities, critical electric infrastructure, and defense and military installations relying on the Strategic Transformer Reserve, use of Federal appropriations, and public-private cost-sharing options;

(H) the ease and speed of transportation, installation, and energization of spare large power transformers to be included in the Strategic Transformer Reserve, including consideration of factors such as—

(i) transformer transportation weight;

(ii) transformer size;

(iii) topology of critical substations;

(iv) availability of appropriate transformer mounting pads;

(v) flexibility of the spare large power transformers as described in subparagraph (E); and

(vi) ability to rapidly transition a spare large power transformer from storage to energization;

(I) eligibility criteria for withdrawal of equipment from the Strategic Transformer Reserve;

(J) the process by which owners or operators of critically damaged large power transformers or substations that are critical electric infrastructure or serve defense and military installations may apply for a withdrawal from the Strategic Transformer Reserve;

(K) the process by which equipment withdrawn from the Strategic Transformer Reserve is returned to the Strategic Transformer Reserve or is replaced;

(L) possible fees to be paid by users of equipment withdrawn from the Strategic Transformer Reserve;

(M) possible fees to be paid by owners and operators of large power transformers and substations that are critical electric infrastructure or serve defense and military installations to cover operating costs of the Strategic Transformer Reserve;

(N) the domestic and international large power transformer supply chain;

(O) the potential reliability, cost, and operational benefits of including emergency mobile substations in any Strategic Transformer Reserve established under this section; and

(P) other considerations for designing, constructing, stocking, funding, and managing the Strategic Transformer Reserve.

(d) ESTABLISHMENT.—The Secretary may establish a Strategic Transformer Reserve in accordance with the plan prepared pursuant to subsection (c) after the date that is 6 months after the date on which such plan is submitted to Congress.

(e) DISCLOSURE OF INFORMATION.—Any information included in the Strategic Transformer Reserve plan, or shared in the preparation and development of such plan, the disclosure of which could cause harm to critical electric infrastructure, shall be exempt from disclosure

under section 552(b)(3) of title 5, United States Code, and any State, tribal, or local law requiring disclosure of information or records.

SEC. 1106. CYBER SENSE.

(a) IN GENERAL.—The Secretary of Energy shall establish a voluntary Cyber Sense program to identify and promote cyber-secure products intended for use in the bulk-power system, as defined in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(b) PROGRAM REQUIREMENTS.—In carrying out subsection (a), the Secretary of Energy shall—

(1) establish a Cyber Sense testing process to identify products and technologies intended for use in the bulk-power system, including products relating to industrial control systems, such as supervisory control and data acquisition systems;

(2) for products tested and identified under the Cyber Sense program, establish and maintain cybersecurity vulnerability reporting processes and a related database;

(3) promulgate regulations regarding vulnerability reporting processes for products tested and identified under the Cyber Sense program;

(4) provide technical assistance to utilities, product manufacturers, and other electric sector

stakeholders to develop solutions to mitigate identified vulnerabilities in products tested and identified under the Cyber Sense program;

(5) biennially review products tested and identified under the Cyber Sense program for vulnerabilities and provide analysis with respect to how such products respond to and mitigate cyber threats;

(6) develop procurement guidance for utilities for products tested and identified under the Cyber Sense program;

(7) provide reasonable notice to the public, and solicit comments from the public, prior to establishing or revising the Cyber Sense testing process;

(8) oversee Cyber Sense testing carried out by third parties; and

(9) consider incentives to encourage the use in the bulk-power system of products tested and identified under the Cyber Sense program.

(c) DISCLOSURE OF INFORMATION.—Any vulnerability reported pursuant to regulations promulgated under subsection (b)(3), the disclosure of which could cause harm to critical electric infrastructure (as defined in section 215A of the Federal Power Act), shall be exempt from disclosure under section 552(b)(3) of title 5,

United States Code, and any State, tribal, or local law requiring disclosure of information or records.

(d) FEDERAL GOVERNMENT LIABILITY.—Consistent with other voluntary Federal Government certification programs, nothing in this section shall be construed to authorize the commencement of an action against the United States Government with respect to the testing and identification of a product under the Cyber Sense program.

SEC. 1107. STATE COVERAGE AND CONSIDERATION OF PURPA STANDARDS FOR ELECTRIC UTILITIES.

(a) STATE CONSIDERATION OF RESILIENCY AND ADVANCED ENERGY ANALYTICS TECHNOLOGIES AND RELIABLE GENERATION.—

(1) CONSIDERATION.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding the following at the end:

''(20) IMPROVING THE RESILIENCE OF ELECTRIC INFRASTRUCTURE.—

''(A) IN GENERAL.—Each electric utility shall develop a plan to use resiliency-related technologies, upgrades, measures, and other approaches designed to improve the resilience of electric infrastructure, mitigate power outages,

continue delivery of vital services, and maintain the flow of power to facilities critical to public health, safety, and welfare, to the extent practicable using the most current data, metrics, and frameworks related to current and future threats, including physical and cyber attacks, electromagnetic pulse attacks, geomagnetic disturbances, seismic events, and severe weather and other environmental stressors.

''(B) RESILIENCY-RELATED TECHNOLOGIES.—For purposes of this paragraph, examples of resiliency-related technologies, upgrades, measures, and other approaches include—

''(i) hardening, or other enhanced protection, of utility poles, wiring, cabling, and other distribution components, facilities, or structures;

''(ii) advanced grid technologies capable of isolating or repairing problems remotely, such as advanced metering infrastructure, high-tech sensors, grid monitoring and control systems, and remote reconfiguration and redundancy systems;

''(iii) cybersecurity products and components;

''(iv) distributed generation, including back-up generation to power critical facilities and essential services, and related integration components, such as advanced inverter technology;

''(v) microgrid systems, including hybrid microgrid systems for isolated communities;

''(vi) combined heat and power;

''(vii) waste heat resources;

''(viii) non-grid-scale energy storage technologies;

''(ix) wiring, cabling, and other distribution components, including submersible distribution components, and enclosures;

''(x) electronically controlled reclosers and similar technologies for power restoration, including emergency mobile substations, as defined in section 1105 of the North American Energy Security and Infrastructure Act of 2015;

''(xi) advanced energy analytics technology, such as Internet-based and cloud-based computing solutions and subscription licensing models;

''(xii) measures that enhance resilience through planning, preparation, response, and recovery activities;

''(xiii) operational capabilities to enhance resilience through rapid response recovery; and

''(xiv) measures to ensure availability of key critical components through contracts, cooperative agreements, stockpiling and prepositioning, or other measures.

''(C) RATE RECOVERY.—Each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) shall consider authorizing each such electric utility to recover any capital, operating expenditure, or other costs of the electric utility related to the procurement, deployment, or use of resiliency-related technologies, including a reasonable rate of return on the capital expenditures of the electric utility for the procurement, de-

ployment, or use of resiliency-related technologies.

''(21) PROMOTING INVESTMENTS IN ADVANCED ENERGY ANALYTICS TECHNOLOGY.—

''(A) IN GENERAL.—Each electric utility shall develop and implement a plan for deploying advanced energy analytics technology.

''(B) RATE RECOVERY.—Each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) shall consider confirming and clarifying, if necessary, that each such electric utility is authorized to recover the costs of the electric utility relating to the procurement, deployment, or use of advanced energy analytics technology, including a reasonable rate of return on all such costs incurred by the electric utility for the procurement, deployment, or use of advanced energy analytics technology, provided such technology is used by the electric utility for purposes of realizing operational efficiencies, cost savings, enhanced energy management and customer engagement, improvements in system reliability, safety, and cybersecurity, or other benefits to ratepayers.

''(C) ADVANCED ENERGY ANALYTICS TECHNOLOGY.—For purposes of this paragraph, examples of advanced energy analytics technology include Internet-based and cloud-based computing solutions and subscription licensing models, including software as a service that uses cyber-physical systems to allow the correlation of data aggregated from appropriate data sources and smart grid sensor networks, employs analytics and machine learning, or employs other advanced computing solutions and models.

''(22) ASSURING ELECTRIC RELIABILITY WITH RELIABLE GENERATION.—

''(A) ASSURANCE OF ELECTRIC RELIABILITY.—Each electric utility shall adopt or modify policies to ensure that such electric utility incorporates reliable generation into its integrated resource plan to assure the availability of electric energy over a 10-year planning period.

''(B) RELIABLE GENERATION.—For purposes of this paragraph, 'reliable generation' means electric generation facilities with reliability attributes that include—

''(i)(I) possession of adequate fuel on-site to enable operation for an extended period of time;

''(II) the operational ability to generate electric energy from more than one source; or

''(III) fuel certainty, through firm contractual obligations, that ensures adequate fuel supply to enable operation, for an extended period of time, for the duration of an emergency or severe weather conditions;

''(ii) operational characteristics that enable the generation of electric energy for the duration of an emergency or severe weather conditions; and

''(iii) unless procured through other procurement mechanisms, essential reliability services, including frequency support and regulation services.

''(23) SUBSIDIZATION OF CUSTOMER-SIDE TECHNOLOGY.—

''(A) CONSIDERATION.—To the extent that a State regulatory authority may require or allow rates charged by any electric utility for

which it has ratemaking authority to electric consumers that do not use a customer-side technology to include any cost, fee, or charge that directly or indirectly cross-subsidizes the deployment, construction, maintenance, or operation of that customer-side technology, such authority shall evaluate whether subsidizing the deployment, construction, maintenance, or operation of a customer-side technology would—

''(i) result in benefits predominately enjoyed by only the users of that customer-side technology;

''(ii) shift costs of a customer-side technology to electricity consumers that do not use that customer-side technology, particularly where disparate economic or resource conditions exist among the electricity consumers cross-subsidizing the costumer-side technology;

''(iii) negatively affect resource utilization, fuel diversity, or grid security;

''(iv) provide any unfair competitive advantage to market the customer-side technology; and

''(v) be necessary to fulfill an obligation to serve electric consumers.

''(B) PUBLIC NOTICE.—Each State regulatory authority shall make available to the public the evaluation completed under subparagraph (A) at least 90 days prior to any proceedings in which such authority considers the cross-subsidization of a customer-side technology.

''(C) CUSTOMER-SIDE TECHNOLOGY.—For purposes of this paragraph, the term 'customer-side technology' means a device connected to the electricity distribution system—

''(i) at, or on the customer side of, the meter; or

''(ii) that, if owned or operated by or on behalf of an electric utility, would otherwise be at, or on the customer side of, the meter.''.

(2) COMPLIANCE.—

(A) TIME LIMITATIONS.—Section 112(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(b)) is amended by adding at the end the following:

''(7)(A) Not later than 1 year after the date of enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility, as applicable, shall commence the consideration referred to in section 111, or set a hearing date for consideration, with respect to the standards established by paragraphs (20), (22), and (23) of section 111(d).

''(B) Not later than 2 years after the date of the enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility, as applicable, shall complete the consideration, and shall make the determination, referred to in section 111 with respect to each standard established by paragraphs (20), (22), and (23) of section 111(d).

''(8)(A) Not later than 6 months after the date of enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall commence the consideration referred to in section 111, or set a hear-

ing date for consideration, with respect to the standard established by paragraph (21) of section 111(d).

''(B) Not later than 1 year after the date of enactment of this paragraph, each State regulatory authority (with respect to each electric utility for which it has ratemaking authority) and each nonregulated electric utility shall complete the consideration, and shall make the determination, referred to in section 111 with respect to the standard established by paragraph (21) of section 111(d).''.

(B) FAILURE TO COMPLY.—Section 112(c) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622(c)) is amended by adding the following at the end: ''In the case of the standards established by paragraphs (20) through (23) of section 111(d), the reference contained in this subsection to the date of enactment of this Act shall be deemed to be a reference to the date of enactment of such paragraphs.''.

(C) PRIOR STATE ACTIONS.—Section 112 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2622) is amended by adding at the end the following new subsection:

''(g) PRIOR STATE ACTIONS.—Subsections (b) and (c) of this section shall not apply to a standard established by paragraph (20), (21), (22), or (23) of section 111(d) in the case of any electric utility in a State if—

''(1) before the date of enactment of this subsection, the State has implemented for such utility the standard concerned (or a comparable standard);

''(2) the State regulatory authority for such State or relevant nonregulated electric utility has conducted a proceeding to consider implementation of the standard concerned (or a comparable standard) for such utility during the 3-year period ending on the date of enactment of this subsection; or

''(3) the State legislature has voted on the implementation of the standard concerned (or a comparable standard) for such utility during the 3-year period ending on the date of enactment of this subsection.''.

(b) COVERAGE FOR COMPETITIVE MARKETS.—Section 102 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2612) is amended by adding at the end the following:

''(d) COVERAGE FOR COMPETITIVE MARKETS.—The requirements of this title do not apply to the operations of an electric utility, or to proceedings respecting such op-

erations, to the extent that such operations or proceedings, or any portion thereof, relate to the competitive sale of retail electric energy that is unbundled or separated from the regulated provision or sale of distribution service.''.

SEC. 1108. RELIABILITY ANALYSIS FOR CERTAIN RULES THAT AFFECT ELECTRIC GENERATING FACILITIES.

(a) APPLICABILITY.—This section shall apply with respect to any proposed or final covered rule issued by a Federal agency for which compliance with the rule may impact an electric utility generating unit or units, including by resulting in closure or interruption to operations of such a unit or units.

(b) RELIABILITY ANALYSIS.—

(1) ANALYSIS OF RULES.—The Federal Energy Regulatory Commission, in consultation with the Electric Reliability Organization, shall conduct an independent reliability analysis of a proposed or final covered rule under this section to evaluate the anticipated effects of implementation and enforcement of the rule on—

(A) electric reliability and resource adequacy;

(B) the electricity generation portfolio of the United States;

(C) the operation of wholesale electricity markets; and

(D) energy delivery and infrastructure, including electric transmission facilities and natural gas pipelines.

(2) RELEVANT INFORMATION.—

(A) MATERIALS FROM FEDERAL AGENCIES.—A Federal agency shall provide to the Commission materials and information relevant to the analysis required under paragraph (1) for a rule, including relevant data, modeling, and resource adequacy and reliability assessments, prepared or relied upon by such agency in developing the rule.

(B) ANALYSES FROM OTHER ENTITIES.—The Electric Reliability Organization, regional entities, regional transmission organizations, independent system operators, and other reliability coordinators and planning authorities shall timely conduct analyses and provide such information as may be reasonably requested by the Commission.

(3) NOTICE.—A Federal agency shall provide to the Commission notice of the issuance of any pro-

posed or final covered rule not later than 15 days after the date of such issuance.

(c) PROPOSED RULES.—Not later than 150 days after the date of publication in the Federal Register of a proposed rule described in subsection (a), the Federal Energy Regulatory Commission shall make available to the public an analysis of the proposed rule conducted in accordance with subsection (b), and any relevant special assessment or seasonal or long-term reliability assessment completed by the Electric Reliability Organization.

(d) FINAL RULES.—

(1) INCLUSION.—A final rule described in subsection (a) shall include, if available at the time of issuance, a copy of the analysis conducted pursuant to subsection (c) of the rule as proposed.

(2) ANALYSIS.—Not later than 120 days after the date of publication in the Federal Register of a final rule described in subsection (a), the Federal Energy Regulatory Commission shall make available to the public an analysis of the final rule conducted in accordance with subsection (b), and any relevant special assessment or seasonal or long-term reliability assessment completed by the Electric Reliability Organization.

(e) DEFINITIONS.—In this section:

(1) ELECTRIC RELIABILITY ORGANIZATION.—The term ''Electric Reliability Organization'' has the meaning given to such term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(2) FEDERAL AGENCY.—The term ''Federal agency'' means an agency, as that term is defined in section 551 of title 5, United States Code.

(3) COVERED RULE.—The term ''covered rule'' means a proposed or final rule that is estimated by the Federal agency issuing the rule, or the Director of the Office of Management and Budget, to result in an annual effect on the economy of $1,000,000,000 or more.

SEC. 1109. CARBON CAPTURE, UTILIZATION, AND SEQUESTRATION TECHNOLOGIES.

(a) AMENDMENTS TO THE ENERGY POLICY ACT OF 2005.—

(1) FOSSIL ENERGY.—Section 961(a) of the Energy Policy Act of 2005 (42 U.S.C. 16291(a)) is amended by adding at the end the following:

''(8) Improving the conversion, use, and storage of carbon dioxide produced from fossil fuels.''.

(2) COAL AND RELATED TECHNOLOGIES PROGRAM.—Section 962(b)(1) of the Energy Policy Act of 2005 (42 U.S.C. 16292(b)(1)) is amended—

(A) by striking ''during each of calendar years 2008, 2010, 2012, and 2016, and during each fiscal year beginning after September 30, 2021,'' and inserting ''during each fiscal year beginning after September 30, 2016,'';

(B) by inserting ''allow for large-scale demonstration and'' after ''technologies that would''; and

(C) by inserting ''commercial use,'' after ''use of coal for''.

(b) INCREASED ACCOUNTABILITY WITH RESPECT TO CARBON CAPTURE, UTILIZATION, AND SEQUESTRATION PROJECTS.—

(1) DOE EVALUATION.—

(A) IN GENERAL.—The Secretary of Energy (in this subsection referred to as the ''Secretary'') shall, in accordance with this subsection, annually conduct an evaluation, and make recommendations, with respect to each project conducted by the Secretary for research, development, demonstration, or deployment of carbon capture, utilization, and sequestration technologies (also known as carbon capture and storage and utilization technologies).

(B) SCOPE.—For purposes of this subsection, a project includes any contract, lease, cooperative agreement, or other similar transaction with a public agency or private organization or person, entered into or performed, or any payment made, by the Secretary for research, development, demonstration, or deployment of carbon capture, utilization, and sequestration technologies.

(2) REQUIREMENTS FOR EVALUATION.—In conducting an evaluation of a project under this subsection, the Secretary shall—

(A) examine if the project has made advancements toward achieving any specific goal of the project with respect to a carbon capture, utilization, and sequestration technology; and

(B) evaluate and determine if the project has made significant progress in advancing a carbon capture, utilization, and sequestration technology.

(3) RECOMMENDATIONS.—For each evaluation of a project conducted under this subsection, if the Secretary determines that—

(A) significant progress in advancing a carbon capture, utilization, and sequestration

technology has been made, the Secretary shall assess the funding of the project and make a recommendation as to whether increased funding is necessary to advance the project; or

(B) significant progress in advancing a carbon capture, utilization, and sequestration technology has not been made, the Secretary shall—

(i) assess the funding of the project and make a recommendation as to whether increased funding is necessary to advance the project;

(ii) assess and determine if the project has reached its full potential; and

(iii) make a recommendation as to whether the project should continue.

(4) REPORTS.—

(A) REPORT ON EVALUATIONS AND RECOMMENDATIONS.—Not later than 2 years after the date of enactment of this Act, and every 2 years thereafter, the Secretary shall—

(i) issue a report on the evaluations conducted and recommendations made during the previous year pursuant to this subsection; and

(ii) make each such report available on the Internet website of the Department of Energy.

(B) REPORT.—Not later than 2 years after the date of enactment of this Act, and every 3 years thereafter, the Secretary shall submit to the Subcommittee on Energy and Power of the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on—

(i) the evaluations conducted and recommendations made during the previous 3 years pursuant to this subsection; and

(ii) the progress of the Department of Energy in advancing carbon capture, utilization, and sequestration technologies, including progress in achieving the Department of Energy's goal of having an array of advanced carbon capture and sequestration technologies ready by 2020 for large-scale demonstration.

SEC. 1110. RELIABILITY AND PERFORMANCE ASSURANCE IN REGIONAL TRANSMISSION ORGANIZATIONS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.), as amended by section 1104, is further amended by adding after section 215A the following new section:

"SEC. 215B. RELIABILITY AND PERFORMANCE ASSURANCE IN REGIONAL TRANSMISSION ORGANIZATIONS.

''(a) EXISTING CAPACITY MARKETS.—

''(1) ANALYSIS CONCERNING CAPACITY MARKET DESIGN.—Not later than 180 days after the date of enactment of this section, each Regional Transmission Organization, and each Independent System Operator, that operates a capacity market, or a comparable market intended to ensure the procurement and availability of sufficient future electric energy resources, that is subject to the jurisdiction of the Commission, shall provide to the Commission an analysis of how the structure of such market meets the following criteria:

''(A) The structure of such market utilizes competitive market forces to the extent practicable in procuring capacity resources.

''(B) Consistent with subparagraph (A), the structure of such market includes resource-

neutral performance criteria that ensure the procurement of sufficient capacity from physical generation facilities that have reliability attributes that include—

''(i)(I) possession of adequate fuel on-site to enable operation for an extended period of time;

''(II) the operational ability to generate electric energy from more than one fuel source; or

''(III) fuel certainty, through firm contractual obligations, that ensures adequate fuel supply to enable operation, for an extended period of time, for the duration of an emergency or severe weather conditions;

''(ii) operational characteristics that enable the generation of electric energy for the duration of an emergency or severe weather conditions; and

''(iii) unless procured through other markets or procurement mechanisms, essential reliability services, including frequency support and regulation services.

''(2) COMMISSION EVALUATION AND REPORT.—Not later than 1 year after the date of enactment of this section, the Commission shall make publicly available, and submit to the Committee on Energy and Commerce in the House of Representatives and the Committee on Energy and Natural Resources in the Senate, a report containing—

''(A) evaluation of whether the structure of each market addressed in an analysis submitted pursuant to paragraph (1) meets the criteria under such paragraph, based on the analysis; and

''(B) to the extent a market so addressed does not meet such criteria, any recommendations with respect to the procurement of sufficient capacity, as described in paragraph (1)(B).

''(b) COMMISSION EVALUATION AND REPORT FOR NEW SCHEDULES.—

''(1) INCLUSION OF ANALYSIS IN FILING.—Except as provided in subsection (a)(2), whenever a Regional Transmission Organization or Independent System Operator files a new schedule under section 205 to establish a market described in subsection (a)(1), or that substantially modifies the capacity

market design of a market described in subsection (a)(1), the Regional Transmission Organization or Independent System Operator shall include in any such filing the analysis required by subsection (a)(1).

''(2) EVALUATION AND REPORT.—Not later than 180 days of receiving an analysis under paragraph (1), the Commission shall make publicly available, and submit to the Committee on Energy and Commerce in the House of Representatives and the Committee on Energy and Natural Resources in the Senate, a report containing—

''(A) an evaluation of whether the structure of the market addressed in the analysis meets the criteria under subsection (a)(1), based on the analysis; and

''(B) to the extent the market does not meet such criteria, any recommendations with respect to the procurement of sufficient capacity, as described in subsection (a)(1)(B).

''(c) EFFECT ON EXISTING APPROVALS.—Nothing in this section shall be considered to—

''(1) require a modification of the Commission's approval of the capacity market design approved

pursuant to docket numbers ER15–623–000, EL15–29–000, EL14–52–000, and ER14–2419–000; or

''(2) provide grounds for the Commission to grant rehearing or otherwise modify orders issued in those dockets.''.

Subtitle B—Energy Security and Infrastructure Modernization

SEC. 1201. ENERGY SECURITY AND INFRASTRUCTURE MODERNIZATION FUND.

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund to be known as the Energy Security and Infrastructure Modernization Fund (referred to in this section as the ''Fund''), consisting of—

(1) collections deposited in the Fund under subsection (c); and

(2) amounts otherwise appropriated to the Fund.

(b) PURPOSE.—The purpose of the Fund is—

(1) to provide for the construction, maintenance, repair, and replacement of Strategic Petroleum Reserve facilities; and

(2) for carrying out non-Strategic Petroleum Reserve projects needed to enhance the energy security of the United States by increasing the resilience,

reliability, safety, and security of energy supply, transmission, storage, or distribution infrastructure.

(c) COLLECTION AND DEPOSIT OF SALE PROCEEDS IN FUND.—

(1) DRAWDOWN AND SALE.—Notwithstanding section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241), to the extent provided in advance in appropriation Acts, the Secretary of Energy shall draw down and sell crude oil from the Strategic Petroleum Reserve in amounts as authorized under subsection (e), except as provided in paragraphs (2) and (3). Amounts received for a sale under this subsection shall be deposited into the Fund during the fiscal year in which the sale occurs. Such amounts shall remain available in the Fund without fiscal year limitation.

(2) EMERGENCY PROTECTION.—The Secretary shall not draw down and sell crude oil under this subsection in amounts that would limit the authority to sell petroleum products under section 161(h) of the Energy Policy and Conservation Act (42 U.S.C. 6241(h)) in the full amount authorized by that subsection.

(3) INVESTMENT PROTECTION.—The Secretary shall not draw down and sell crude oil under this

subsection at a price lower than the average price paid for oil in the Strategic Petroleum Reserve.

(d) AUTHORIZED USES OF FUND.—

(1) IN GENERAL.—Amounts in the Fund may be used for, or may be credited as offsetting collections for amounts used for, carrying out the programs described in paragraphs (2), (3), and (4), to the extent provided in advance in appropriation Acts.

(2) PROGRAM TO MODERNIZE THE STRATEGIC PETROLEUM RESERVE.—

(A) FINDINGS.—Congress finds the following:

(i) The Strategic Petroleum Reserve is one of the Nation's most valuable energy security assets.

(ii) The age and condition of the Strategic Petroleum Reserve have diminished its value as a Federal energy security asset.

(iii) Global oil markets and the location and amount of United States oil production and refining capacity have dramatically changed in the 40 years since the

establishment of the Strategic Petroleum Reserve.

(iv) Maximizing the energy security value of the Strategic Petroleum Reserve requires a modernized infrastructure that meets the drawdown and distribution needs of changed domestic and international oil and refining market conditions.

(B) REAFFIRMATION OF POLICY.—Congress reaffirms the continuing strategic importance and need for the Strategic Petroleum Reserve as found and declared in section 151 of the Energy Policy and Conservation Act (42 U.S.C. 6231).

(C) PROGRAM.—The Secretary of Energy shall establish a Strategic Petroleum Reserve modernization program to protect the United States economy from the impacts of emergency petroleum product supply disruptions. The program shall include—

(i) operational improvements to extend the useful life of surface and subsurface infrastructure;

(ii) maintenance of cavern storage integrity; and

(iii) addition of infrastructure and facilities to maximize the drawdown and incremental distribution capacity of the Strategic Petroleum Reserve.

(3) PROGRAM TO ENHANCE SAFETY, PERFORMANCE, AND RESILIENCE OF NATURAL GAS DISTRIBUTION SYSTEMS.—

(A) PROGRAM.—The Secretary of Energy shall establish a grant program to provide financial assistance to States to offset the incremental rate increases paid by eligible households resulting from the implementation of State-approved infrastructure replacement, repair, and maintenance programs designed to accelerate the necessary replacement, repair, or maintenance of natural gas distribution systems.

(B) DATE OF ELIGIBILITY.—Awards may be provided under this paragraph to offset rate increases described in subsection (a) occurring on or after July 1, 2015.

(C) PRIORITIZATION.—The Secretary shall collaborate with States to prioritize the distribution of grants made under this paragraph. At a minimum, the Secretary shall consider

prioritizing the distribution of grants to States which have—

(i) authorized or adopted enhanced infrastructure replacement programs or innovative rate recovery mechanisms, such as infrastructure cost trackers and riders, infrastructure base rate surcharges, deferred regulatory asset programs, and earnings stability mechanisms; and

(ii) a viable means for delivering financial assistance to eligible households.

(D) DEFINITION.—In this paragraph, the term ''eligible household'' means a household that is eligible to receive payments under section 8624(b)(2) of title 42, United States Code.

(4) PROGRAM TO ENHANCE ELECTRIC INFRASTRUCTURE RESILIENCE, RELIABILITY, AND ENERGY SECURITY.—

(A) PROGRAM.—The Secretary shall establish a competitive grant program to provide grants to States, units of local government, and Indian tribe economic development entities to enhance energy security through measures for electricity delivery infrastructure hardening and enhanced resilience and reliability.

(B) PURPOSE OF GRANTS.—The Secretary may make grants on a competitive basis to enable broader use of resiliency-related technologies, upgrades, and institutional measures and practices designed to—

(i) improve the resilience, reliability, and security of electricity delivery infrastructure;

(ii) improve preparedness and restoration time to mitigate power disturbances resulting from physical and cyber attacks, electromagnetic pulse attacks, geomagnetic disturbances, seismic events, and severe weather and other environmental stressors;

(iii) continue delivery of power to facilities critical to public health, safety, and welfare, including hospitals, assisted living facilities, and schools;

(iv) continue delivery of power to electricity-dependent essential services, including fueling stations and pumps, wastewater and sewage treatment facilities, gas pipeline infrastructure, communications systems, transportation services and systems,

and services provided by emergency first responders; and

(v) enhance regional grid resilience and the resilience of electricity-dependent regional infrastructure.

(C) EXAMPLES.—Resiliency-related technologies, upgrades, and measures with respect to which grants may be made under this paragraph include—

(i) hardening, or other enhanced protection, of utility poles, wiring, cabling, and other distribution components, facilities, or structures;

(ii) advanced grid technologies capable of isolating or repairing problems remotely, such as advanced metering infrastructure, high-tech sensors, grid monitoring and control systems, and remote reconfiguration and redundancy systems;

(iii) cybersecurity products and components;

(iv) distributed generation, including back-up generation to power critical facilities and essential services, and related inte-

gration components, such as advanced inverter technology;

(v) microgrid systems, including hybrid microgrid systems for isolated communities;

(vi) combined heat and power;

(vii) waste heat resources;

(viii) non-grid-scale energy storage technologies;

(ix) wiring, cabling, and other distribution components, including submersible distribution components, and enclosures;

(x) electronically controlled reclosers and similar technologies for power restoration, including emergency mobile substations, as defined in section 1105 of the North American Energy Security and Infrastructure Act of 2015;

(xi) advanced energy analytics technology, such as Internet-based and cloud-based computing solutions and subscription licensing models;

(xii) measures that enhance resilience through planning, preparation, response, and recovery activities;

(xiii) operational capabilities to enhance resilience through rapid response recovery; and

(xiv) measures to ensure availability of key critical components through contracts, cooperative agreements, stockpiling and prepositioning, or other measures.

(D) IMPLEMENTATION.—Specific projects or programs established, or to be established, pursuant to awards provided under this paragraph shall be implemented through the States by public and publicly regulated entities on a cost-shared basis.

(E) COOPERATION.—In carrying out projects or programs established, or to be established, pursuant to awards provided under this paragraph, award recipients shall cooperate, as applicable, with—

(i) State public utility commissions;

(ii) State energy offices;

(iii) electric infrastructure owners and operators; and

(iv) other entities responsible for maintaining electric reliability.

(F) DATA AND METRICS.—

(i) IN GENERAL.—To the extent practicable, award recipients shall utilize the most current data, metrics, and frameworks related to—

(I) electricity delivery infrastructure hardening and enhancing resilience and reliability; and

(II) current and future threats, including physical and cyber attacks, electromagnetic pulse, geomagnetic disturbances, seismic events, and severe weather and other environmental stressors.

(ii) METRICS.—Award recipients shall demonstrate to the Secretary with measurable and verifiable data how the deployment of resiliency-related technologies, upgrades, and technologies achieve improvements in the resiliency and recovery of electricity delivery infrastructure and related services, including a comparison of data collected before and after deployment.

Metrics for demonstrating improvements in resiliency and recovery may include—

(I) power quality during power disturbances when delivered power does not meet power quality requirements of the customer;

(II) duration of customer interruptions;

(III) number of customers impacted;

(IV) cost impacts, including business and other economic losses;

(V) impacts on electricity-dependent essential services and critical facilities; and

(VI) societal impacts.

(iii) FURTHERING ENERGY ASSURANCE PLANS.—Award recipients shall demonstrate to the Secretary how projects or programs established, or to be established, pursuant to awards provided under this paragraph further applicable State and local energy assurance plans.

(G) MATCHING CONTRIBUTIONS.—The Secretary may not make a grant under this

paragraph unless the applicant agrees to make available non-Federal contributions (which may include in-kind contributions) in an amount not less than 50 percent of the Federal contribution.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated (and drawdowns and sales under subsection (c) in an equal amount are authorized)—

(1) for carrying out subsection (d)(2), $500,000,000 for the period encompassing fiscal years 2017 through 2020;

(2) for carrying out subsection (d)(3), $100,000,000 for the period encompassing fiscal years 2017 through 2020, of which not more than 5 percent may be used for administrative expenses; and

(3) for carrying out subsection (d)(4), $250,000,000 for the period encompassing fiscal years 2017 through 2020, of which not more than 5 percent may be used for administrative expenses.

(f) TRANSMISSION OF DEPARTMENT BUDGET REQUESTS.—The Secretary of Energy shall prepare and submit in the Department's annual budget request to Congress—

(1) an itemization of the amounts of funds necessary to carry out subsection (d); and

(2) a designation of any activities thereunder for which a multiyear budget authority would be appropriate.

(g) SUNSET.—The authority of the Secretary to drawdown and sell crude oil from the Strategic Petroleum Reserve under this section shall expire at the end of fiscal year 2020.

Subtitle C—Hydropower Regulatory Modernization

SEC. 1301. HYDROELECTRIC PRODUCTION AND EFFICIENCY INCENTIVES.

(a) HYDROELECTRIC PRODUCTION INCENTIVES.—Section 242 of the Energy Policy Act of 2005 (42 U.S.C.15881) is amended—

(1) in subsection (c), by striking ''10'' and inserting ''20'';

(2) in subsection (f), by striking ''20'' and inserting ''30''; and

(3) in subsection (g), by striking ''each of the fiscal years 2006 through 2015'' and inserting ''each of fiscal years 2016 through 2025''.

(b) HYDROELECTRIC EFFICIENCY IMPROVEMENT.—Section 243(c) of the Energy Policy Act of 2005 (42

U.S.C. 15882(c)) is amended by striking ''each of the fiscal years 2006 through 2015'' and inserting ''each of fiscal years 2016 through 2025''.

SEC. 1302. PROTECTION OF PRIVATE PROPERTY RIGHTS IN HYDROPOWER LICENSING.

(a) LICENCES.—Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(1) by striking ''and'' after ''recreational opportunities,''; and

(2) by inserting '', and minimizing infringement on the useful exercise and enjoyment of property rights held by nonlicensees'' after ''aspects of environmental quality''.

(b) PRIVATE LANDOWNERSHIP.—Section 10 of the Federal Power Act (16 U.S.C. 803) is amended—

(1) in subsection (a)(1), by inserting '', including minimizing infringement on the useful exercise and enjoyment of property rights held by nonlicensees'' after ''section 4(e)''; and

(2) by adding at the end the following:

''(k) PRIVATE LANDOWNERSHIP.—In developing any recreational resource within the project boundary, the licensee shall consider private landownership as a means to encourage and facilitate—

''(1) private investment; and

''(2) increased tourism and recreational use.''.

SEC. 1303. EXTENSION OF TIME FOR FERC PROJECT INVOLVING W. KERR SCOTT DAM.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 12642, the Commission may, at the request of the licensee for the project, and after reasonable notice, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project for up to 3 consecutive 2-year periods from the date of the expiration of the extension originally issued by the Commission.

(b) REINSTATEMENT OF EXPIRED LICENSE.—If the period required for commencement of construction of the project described in subsection (a) has expired prior to the date of the enactment of this Act, the Commission may reinstate the license effective as of the date of its expiration and the first extension authorized under subsection (a) shall take effect on the date of such expiration.

SEC. 1304. HYDROPOWER LICENSING AND PROCESS IMPROVEMENTS.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.) is amended by adding at the end the following:

"SEC. 34. HYDROPOWER LICENSING AND PROCESS IMPROVEMENTS.

''(a) DEFINITION.—In this section, the term 'Federal authorization'—

''(1) means any authorization required under Federal law with respect to an application for a license, license amendment, or exemption under this part; and

''(2) includes any permits, special use authorizations, certifications, opinions, or other approvals as may be required under Federal law to approve or implement the license, license amendment, or exemption under this part.

''(b) DESIGNATION AS LEAD AGENCY.—

''(1) IN GENERAL.—The Commission shall act as the lead agency for the purposes of coordinating all applicable Federal authorizations and for the purposes of complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(2) OTHER AGENCIES AND INDIAN TRIBES.—

''(A) IN GENERAL.—Each Federal, State, and local government agency and Indian tribe

considering an aspect of an application for Federal authorization shall coordinate with the Commission and comply with the deadline established in the schedule developed for the project in accordance with the rule issued by the Commission under subsection (c).

''(B) IDENTIFICATION.—The Commission shall identify, as early as practicable after it is notified by the applicant of a project or facility requiring Commission action under this part, any Federal or State agency, local government, or Indian tribe that may consider an aspect of an application for a Federal authorization.

''(C) NOTIFICATION.—

''(i) IN GENERAL.—The Commission shall notify any agency and Indian tribe identified under subparagraph (B) of the opportunity to participate in the process of reviewing an aspect of an application for a Federal authorization.

''(ii) DEADLINE.—Each agency and Indian tribe receiving a notice under clause (i) shall submit a response acknowledging receipt of the notice to the Commission

within 30 days of receipt of such notice and request.

''(D) ISSUE IDENTIFICATION AND RESOLUTION.—

''(i) IDENTIFICATION OF ISSUES.—Federal, State, and local government agencies and Indian tribes that may consider an aspect of an application for Federal authorization shall identify, as early as possible, and share with the Commission and the applicant, any issues of concern identified during the pendency of the Commission's action under this part relating to any Federal authorization that may delay or prevent the granting of such authorization, including any issues that may prevent the agency or Indian tribe from meeting the schedule established for the project in accordance with the rule issued by the Commission under subsection (c).

''(ii) ISSUE RESOLUTION.—The Commission may forward any issue of concern identified under clause (i) to the heads of the relevant State and Federal agencies (including, in the case of scheduling con-

cerns identified by a State or local government agency or Indian tribe, the Federal agency overseeing the delegated authority, or the Secretary of the Interior with regard to scheduling concerns identified by an Indian tribe) for resolution. The Commission and any relevant agency shall enter into a memorandum of understanding to facilitate interagency coordination and resolution of such issues of concern, as appropriate.

''(c) SCHEDULE.—

''(1) COMMISSION RULEMAKING TO ESTABLISH PROCESS TO SET SCHEDULE.—Within 180 days of the date of enactment of this section the Commission shall, in consultation with the appropriate Federal agencies, issue a rule, after providing for notice and public comment, establishing a process for setting a schedule following the filing of an application under this part for the review and disposition of each Federal authorization.

''(2) ELEMENTS OF SCHEDULING RULE.—In issuing a rule under this subsection, the Commission shall ensure that the schedule for each Federal authorization—

''(A) includes deadlines for actions by—

''(i) any Federal or State agency, local government, or Indian tribe that may consider an aspect of an application for the Federal authorization;

''(ii) the applicant;

''(iii) the Commission; and

''(iv) other participants in a proceeding;

''(B) is developed in consultation with the applicant and any agency and Indian tribe that submits a response under subsection (b)(2)(C)(ii);

''(C) provides an opportunity for any Federal or State agency, local government, or Indian tribe that may consider an aspect of an application for the applicable Federal authorization to identify and resolve issues of concern, as provided in subsection (b)(2)(D);

''(D) complies with applicable schedules established under Federal and State law;

''(E) ensures expeditious completion of all proceedings required under Federal and State law, to the extent practicable; and

''(F) facilitates completion of Federal and State agency studies, reviews, and any other procedures required prior to, or concurrent with, the preparation of the Commission's environmental document required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(d) TRANSMISSION OF FINAL SCHEDULE.—

''(1) IN GENERAL.—For each application for a license, license amendment, or exemption under this part, the Commission shall establish a schedule in accordance with the rule issued by the Commission under subsection (c). The Commission shall publicly notice and transmit the final schedule to the applicant and each agency and Indian tribe identified under subsection (b)(2)(B).

''(2) RESPONSE.—Each agency and Indian tribe receiving a schedule under this subsection shall acknowledge receipt of such schedule in writing to the Commission within 30 days.

''(e) ADHERENCE TO SCHEDULE.—All applicants, other licensing participants, and agencies and tribes considering an aspect of an application for a Federal authorization shall meet the deadlines set forth in the schedule established pursuant to subsection (d)(1).

''(f) APPLICATION PROCESSING.—The Commission, Federal, State, and local government agencies, and Indian tribes may allow an applicant seeking a Federal authorization to fund a third-party contractor selected by such agency or tribe to assist in reviewing the application. All costs of an agency or tribe incurred pursuant to direct funding by the applicant, including all costs associated with the third party contractor, shall not be considered costs of the United States for the administration of this part under section 10(e).

''(g) COMMISSION RECOMMENDATION ON SCOPE OF ENVIRONMENTAL REVIEW.—For the purposes of coordinating Federal authorizations for each project, the Commission shall consult with and make a recommendation to agencies and Indian tribes receiving a schedule under subsection (d) on the scope of the environmental review for all Federal authorizations for such project. Each Federal and State agency and Indian tribe shall give due consideration and may give deference to the Commission's recommendations, to the extent appropriate under Federal law.

''(h) FAILURE TO MEET SCHEDULE.—A Federal, State, or local government agency or Indian tribe that anticipates that it will be unable to complete its disposition of a Federal authorization by the deadline set forth in the

schedule established under subsection (d)(1) may file for an extension as provided under section 313(b)(2).

''(i) CONSOLIDATED RECORD.—The Commission shall, with the cooperation of Federal, State, and local government agencies and Indian tribes, maintain a complete consolidated record of all decisions made or actions taken by the Commission or by a Federal administrative agency or officer (or State or local government agency or officer or Indian tribe acting under delegated Federal authority) with respect to any Federal authorization. Such record shall constitute the record for judicial review under section 313(b).''.

SEC. 1305. JUDICIAL REVIEW OF DELAYED FEDERAL AUTHORIZATIONS.

Section 313(b) of the Federal Power Act (16 U.S.C. 825*l*(b)) is amended—

(1) by striking ''(b) Any party'' and inserting the following:

''(b) JUDICIAL REVIEW.—

''(1) IN GENERAL.—Any party''; and

(2) by adding at the end the following:

''(2) DELAY OF A FEDERAL AUTHORIZATION.—Any Federal, State, or local government agency or Indian tribe that will not complete its disposition of a Federal authorization by the deadline set forth in

the schedule by the Commission under section 34 may file for an extension in the United States court of appeals for any circuit wherein the project or proposed project is located, or in the United States Court of Appeals for the District of Columbia. Such petition shall be filed not later than 30 days prior to such deadline. The court shall only grant an extension if the agency or tribe demonstrates, based on the record maintained under section 34, that it otherwise complied with the requirements of section 34 and that complying with the schedule set by the Commission would have prevented the agency or tribe from complying with applicable Federal or State law. If the court grants the extension, the court shall set a reasonable schedule and deadline, not to exceed 90 days, for the agency to act on remand. If the court denies the extension, or if an agency or tribe does not file for an extension as provided in this subsection and does not complete its disposition of a Federal authorization by the applicable deadline, the Commission and applicant may move forward with the proposed action.''.

SEC. 1306. LICENSING STUDY IMPROVEMENTS.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.), as amended by section 1304, is further amended by adding at the end the following:

"SEC. 35. LICENSING STUDY IMPROVEMENTS.

''(a) IN GENERAL.—To facilitate the timely and efficient completion of the license proceedings under this part, the Commission shall, in consultation with applicable Federal and State agencies and interested members of the public—

''(1) compile current and accepted best practices in performing studies required in such license proceedings, including methodologies and the design of studies to assess the full range of environmental impacts of a project that reflect the most recent peer-reviewed science;

''(2) compile a comprehensive collection of studies and data accessible to the public that could be used to inform license proceedings under this part; and

''(3) encourage license applicants, agencies, and Indian tribes to develop and use, for the purpose of fostering timely and efficient consideration of license applications, a limited number of open-source methodologies and tools applicable across a wide array of

projects, including water balance models and streamflow analyses.

''(b) USE OF STUDIES.—To the extent practicable, the Commission and other Federal, State, and local government agencies and Indian tribes considering an aspect of an application for Federal authorization shall use current, accepted science toward studies and data in support of their actions. Any participant in a proceeding with respect to a Federal authorization shall demonstrate a study requested by the party is not duplicative of current, existing studies that are applicable to the project.

''(c) BASIN-WIDE OR REGIONAL REVIEW.—The Commission shall establish a program to develop comprehensive plans, at the request of project applicants, on a regional or basin-wide scale, in consultation with the applicants, appropriate Federal agencies, and affected States, local governments, and Indian tribes, in basins or regions with respect to which there are more than one project or application for a project. Upon such a request, the Commission, in consultation with the applicants, such Federal agencies, and affected States, local governments, and Indian tribes, may conduct or commission regional or basin-wide environmental studies, with the participation of at least 2 applicants. Any study conducted under this sub-

section shall apply only to a project with respect to which the applicant participates.''.

SEC. 1307. CLOSED-LOOP PUMPED STORAGE PROJECTS.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.), as amended by section 1306, is further amended by adding at the end the following:

''SEC. 36. CLOSED-LOOP PUMPED STORAGE PROJECTS.

''(a) DEFINITION.—For purposes of this section, a closed-loop pumped storage project is a project—

''(1) in which the upper and lower reservoirs do not impound or directly withdraw water from navigable waters; or

''(2) that is not continuously connected to a naturally flowing water feature.

''(b) IN GENERAL.—As provided in this section, the Commission may issue and amend licenses and preliminary permits, as appropriate, for closed-loop pumped storage projects.

''(c) DAM SAFETY.—Before issuing any license for a closed-loop pumped storage project, the Commission shall assess the safety of existing dams and other structures related to the project (including possible consequences associated with failure of such structures).

''(d) LICENSE CONDITIONS.—With respect to a closed-loop pumped storage project, the authority of the

Commission to impose conditions on a license under sections 4(e), 10(a), 10(g), and 10(j) shall not apply, and any condition included in or applicable to a closed-loop pumped storage project licensed under this section, including any condition or other requirement of a Federal authorization, shall be limited to those that are—

''(1) necessary to protect public safety; or

''(2) reasonable, economically feasible, and essential to prevent loss of or damage to, or to mitigate adverse effects on, fish and wildlife resources directly caused by the construction and operation of the project, as compared to the environmental baseline existing at the time the Commission completes its environmental review.

''(e) TRANSFERS.—Notwithstanding section 5, and regardless of whether the holder of a preliminary permit for a closed-loop pumped storage project claimed municipal preference under section 7(a) when obtaining the permit, the Commission may, to facilitate development of a closed-loop pumped storage project—

''(1) add entities as joint permittees following issuance of a preliminary permit; and

''(2) transfer a license in part to one or more nonmunicipal entities as co-licensees with a municipality.''.

SEC. 1308. LICENSE AMENDMENT IMPROVEMENTS.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.), as amended by section 1307, is further amended by adding at the end the following:

"SEC. 37. LICENSE AMENDMENT IMPROVEMENTS.

"(a) QUALIFYING PROJECT UPGRADES.—

"(1) IN GENERAL.—As provided in this section, the Commission may approve an application for an amendment to a license issued under this part for a qualifying project upgrade.

"(2) APPLICATION.—A licensee filing an application for an amendment to a project license under this section shall include in such application information sufficient to demonstrate that the proposed change to the project described in the application is a qualifying project upgrade.

"(3) INITIAL DETERMINATION.—Not later than 15 days after receipt of an application under paragraph (2), the Commission shall make an initial determination as to whether the proposed change to the project described in the application for a license amendment is a qualifying project upgrade. The Commission shall publish its initial determination and issue notice of the application filed under paragraph (2). Such notice shall solicit public comment on the initial determination within 45 days.

''(4) PUBLIC COMMENT ON QUALIFYING CRITERIA.—The Commission shall accept public comment regarding whether a proposed license amendment is for a qualifying project upgrade for a period of 45 days beginning on the date of publication of a public notice described in paragraph (3), and shall—

''(A) if no entity contests whether the proposed license amendment is for a qualifying project upgrade during such comment period, immediately publish a notice stating that the initial determination has not been contested; or

''(B) if an entity contests whether the proposed license amendment is for a qualifying project upgrade during the comment period, issue a written determination in accordance with paragraph (5).

''(5) WRITTEN DETERMINATION.—If an entity contests whether the proposed license amendment is for a qualifying project upgrade during the comment period under paragraph (4), the Commission shall, not later than 30 days after the date of publication of the public notice of the initial determination under paragraph (3), issue a written determination

as to whether the proposed license amendment is for a qualifying project upgrade.

''(6) PUBLIC COMMENT ON AMENDMENT APPLICATION.—If no entity contests whether the proposed license amendment is for a qualifying project upgrade during the comment period under paragraph (4) or the Commission issues a written determination under paragraph (5) that a proposed license amendment is a qualifying project upgrade, the Commission shall—

''(A) during the 60-day period beginning on the date of publication of a notice under paragraph (4)(A) or the date on which the Commission issues the written determination under paragraph (5), as applicable, solicit comments from each Federal, State, and local government agency and Indian tribe considering an aspect of an application for Federal authorization (as defined in section 34) with respect to the proposed license amendment, as well as other interested agencies, Indian tribes, and members of the public; and

''(B) during the 90-day period beginning on the date of publication of a notice under paragraph (4)(A) or the date on which the

Commission issues the written determination under paragraph (5), as applicable, consult with—

''(i) appropriate Federal agencies and the State agency exercising administrative control over the fish and wildlife resources, and water quality and supply, of the State in which the qualifying project upgrade is located;

''(ii) any Federal department supervising any public lands or reservations occupied by the qualifying project upgrade; and

''(iii) any Indian tribe affected by the qualifying project upgrade.

''(7) FEDERAL AUTHORIZATIONS.—The schedule established by the Commission under section 34 for any project upgrade under this subsection shall require final disposition on all necessary Federal authorizations (as defined in section 34), other than final action by the Commission, by not later than 120 days after the date on which the Commission issues a notice under paragraph (4)(A) or a written determination under paragraph (5), as applicable.

''(8) COMMISSION ACTION.—Not later than 150 days after the date on which the Commission issues a notice under paragraph (4)(A) or a written determination under paragraph (5), as applicable, the Commission shall take final action on the license amendment application.

''(9) LICENSE AMENDMENT CONDITIONS.—Any condition included in or applicable to a license amendment approved under this subsection, including any condition or other requirement of a Federal authorization, shall be limited to those that are—

''(A) necessary to protect public safety; or

''(B) reasonable, economically feasible, and essential to prevent loss of or damage to, or to mitigate adverse effects on, fish and wildlife resources, water supply, and water quality that are directly caused by the construction and operation of the qualifying project upgrade, as compared to the environmental baseline existing at the time the Commission approves the application for the license amendment.

''(10) PROPOSED LICENSE AMENDMENTS THAT ARE NOT QUALIFYING PROJECT UPGRADES.—If the Commission determines under paragraph (3) or (5) that a proposed license amendment is not for a

qualifying project upgrade, the procedures under paragraphs (6) through (9) shall not apply to the application.

''(11) RULEMAKING.—Not later than 180 days after the date of enactment of this section, the Commission shall, after notice and opportunity for public comment, issue a rule to implement this subsection.

''(12) DEFINITIONS.—For purposes of this subsection:

''(A) QUALIFYING PROJECT UPGRADE.—The term 'qualifying project upgrade' means a change to a project licensed under this part that meets the qualifying criteria, as determined by the Commission.

''(B) QUALIFYING CRITERIA.—The term 'qualifying criteria' means, with respect to a project license under this part, a change to the project that—

''(i) if carried out, would be unlikely to adversely affect any species listed as threatened or endangered under the Endangered Species Act of 1973 or result in the destruction or adverse modification of critical habitat, as determined in consultation with the Secretary of the Interior or

Secretary of Commerce, as appropriate, in accordance with section 7 of the Endangered Species Act of 1973;

''(ii) is consistent with any applicable comprehensive plan under section 10(a)(2);

''(iii) includes only changes to project lands, waters, or operations that, in the judgment of the Commission, would result in only insignificant or minimal cumulative adverse environmental effects;

''(iv) would be unlikely to adversely affect water quality and water supply; and

''(v) proposes to implement—

''(I) capacity increases, efficiency improvements, or other enhancements to hydropower generation at the licensed project;

''(II) environmental protection, mitigation, or enhancement measures to benefit fish and wildlife resources or other natural and cultural resources; or

''(III) improvements to public recreation at the licensed project.

''(b) AMENDMENT APPROVAL PROCESSES.—

''(1) RULE.—Not later than 1 year after the date of enactment of this section, the Commission shall, after notice and opportunity for public comment, issue a rule establishing new standards and procedures for license amendment applications under this part. In issuing such rule, the Commission shall seek to develop the most efficient and expedient process, consultation, and review requirements, commensurate with the scope of different categories of proposed license amendments. Such rule shall account for differences in environmental effects across a wide range of categories of license amendment applications.

''(2) CAPACITY.—In issuing a rule under this subsection, the Commission shall take into consideration that a change in generating or hydraulic capacity may indicate the potential environmental effects of a proposed amendment but is not determinative of such effects.

''(3) PROCESS OPTIONS.—In issuing a rule under this subsection, the Commission shall take into consideration the range of process options available under the Commission's regulations for new and original license applications and adapt such op-

tions to amendment applications, where appropriate.''.

SEC. 1309. PROMOTING HYDROPOWER DEVELOPMENT AT EXISTING NONPOWERED DAMS.

Part I of the Federal Power Act (16 U.S.C. 792 et seq.), as amended by section 1308, is further amended by adding at the end the following:

''SEC. 38. PROMOTING HYDROPOWER DEVELOPMENT AT EXISTING NONPOWERED DAMS.

''(a) EXEMPTIONS FOR QUALIFYING FACILITIES.—

''(1) EXEMPTION QUALIFICATIONS.—Subject to the requirements of this subsection, the Commission may grant an exemption in whole or in part from the requirements of this part, including any license requirements contained in this part, to any facility the Commission determines is a qualifying facility.

''(2) CONSULTATION WITH FEDERAL AND STATE AGENCIES.—In granting any exemption under this subsection, the Commission shall consult with—

''(A) the United States Fish and Wildlife Service, the National Marine Fisheries Service, and the State agency exercising administrative control over the fish and wildlife resources of the State in which the facility will be located,

in the manner provided by the Fish and Wildlife Coordination Act;

''(B) any Federal department supervising any public lands or reservations occupied by the project; and

''(C) any Indian tribe affected by the project.

''(3) EXEMPTION CONDITIONS.—

''(A) IN GENERAL.—The Commission shall include in any exemption granted under this subsection only such terms and conditions that the Commission determines are—

''(i) necessary to protect public safety; or

''(ii) reasonable, economically feasible, and essential to prevent loss of or damage to, or to mitigate adverse effects on, fish and wildlife resources directly caused by the construction and operation of the qualifying facility, as compared to the environmental baseline existing at the time the Commission grants the exemption.

''(B) NO CHANGES TO RELEASE REGIME.—No Federal authorization required with respect to a qualifying facility described in

paragraph (1), including an exemption granted by the Commission under this subsection, may include any condition or other requirement that results in any material change to the storage, control, withdrawal, diversion, release, or flow operations of the associated qualifying nonpowered dam.

''(4) ENVIRONMENTAL REVIEW.—The Commission's environmental review under the National Environmental Policy Act of 1969 of a proposed exemption under this subsection shall consist only of an environmental assessment, unless the Commission determines, by rule or order, that the Commission's obligations under such Act for granting exemptions under this subsection can be met through a categorical exclusion.

''(5) VIOLATION OF TERMS OF EXEMPTION.—Any violation of a term or condition of any exemption granted under this subsection shall be treated as a violation of a rule or order of the Commission under this Act.

''(6) ANNUAL CHARGES FOR ENHANCEMENT ACTIVITIES.—Exemptees under this subsection for any facility located at a non-Federal dam shall pay to the United States reasonable annual charges in

an amount to be fixed by the Commission for the purpose of funding environmental enhancement projects in watersheds in which facilities exempted under this subsection are located. Such annual charges shall be equivalent to the annual charges for use of a Government dam under section 10(e), unless the Commission determines, by rule, that a lower charge is appropriate to protect exemptees' investment in the project or avoid increasing the price to consumers of power due to such charges. The proceeds of charges made by the Commission under this paragraph shall be paid into the Treasury of the United States and credited to miscellaneous receipts. Subject to annual appropriation Acts, such proceeds shall be available to Federal and State fish and wildlife agencies for purposes of carrying out specific environmental enhancement projects in watersheds in which one or more facilities exempted under this subsection are located. Not later than 180 days after the date of enactment of this section, the Commission shall establish rules, after notice and opportunity for public comment, for the collection and administration of annual charges under this paragraph.

''(7) EFFECT OF JURISDICTION.—The jurisdiction of the Commission over any qualifying facility exempted under this subsection shall extend only to the qualifying facility exempted and any associated primary transmission line, and shall not extend to any conduit, dam, impoundment, shoreline or other land, or any other project work associated with the qualifying facility exempted under this subsection.

''(b) DEFINITIONS.—For purposes of this section—

''(1) FEDERAL AUTHORIZATION.—The term 'Federal authorization' has the same meaning as provided in section 34.

''(2) QUALIFYING CRITERIA.—The term 'qualifying criteria' means, with respect to a facility—

''(A) as of the date of enactment of this section, the facility is not licensed under, or exempted from the license requirements contained in, this part;

''(B) the facility will be associated with a qualifying nonpowered dam;

''(C) the facility will be constructed, operated, and maintained for the generation of electric power;

''(D) the facility will use for such generation any withdrawals, diversions, releases, or

flows from the associated qualifying nonpowered dam, including its associated impoundment or other infrastructure; and

''(E) the operation of the facility will not result in any material change to the storage, control, withdrawal, diversion, release, or flow operations of the associated qualifying nonpowered dam.

''(3) QUALIFYING FACILITY.—The term 'qualifying facility' means a facility that is determined under this section to meet the qualifying criteria.

''(4) QUALIFYING NONPOWERED DAM.—The term 'qualifying nonpowered dam' means any dam, dike, embankment, or other barrier—

''(A) the construction of which was completed on or before the date of enactment of this section;

''(B) that is operated for the control, release, or distribution of water for agricultural, municipal, navigational, industrial, commercial, environmental, recreational, aesthetic, or flood control purposes;

''(C) that, as of the date of enactment of this section, is not equipped with hydropower generating works that are licensed under, or ex-

empted from the license requirements contained in, this part; and

''(D) that, in the case of a non-Federal dam, has been certified by an independent consultant approved by the Commission as complying with the Commission's dam safety requirements.''.

TITLE II—21ST CENTURY WORKFORCE

SEC. 2001. ENERGY AND MANUFACTURING WORKFORCE DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Energy (in this section referred to as the ''Secretary'') shall establish and carry out a comprehensive program to improve education and training for energy and manufacturing-related jobs in order to increase the number of skilled workers trained to work in energy and manufacturing-related fields, including by—

(1) encouraging underrepresented groups, including religious and ethnic minorities, women, veterans, individuals with disabilities, and socioeconomically disadvantaged individuals to enter into the science, technology, engineering, and mathematics (in this section referred to as ''STEM'') fields;

(2) encouraging the Nation's education system to equip students with the skills, mentorships, training, and technical expertise necessary to fill the employment opportunities vital to managing and operating the Nation's energy and manufacturing industries;

(3) providing students and other candidates for employment with the necessary skills and certifications for skilled, semiskilled, and highly skilled energy and manufacturing-related jobs; and

(4) strengthening and more fully engaging Department of Energy programs and labs in carrying out the Department's Minorities in Energy Initiative.

(b) PRIORITY.—The Secretary shall make educating and training underrepresented groups for energy and manufacturing-related jobs a national priority under the program established under subsection (a).

(c) DIRECT ASSISTANCE.—In carrying out the program established under subsection (a), the Secretary shall provide direct assistance (including financial assistance awards, technical expertise, wraparound services, career coaching, mentorships, internships, and partnerships) to schools, community colleges, workforce development organizations, nonprofit organizations, labor organizations, ap-

prenticeship programs, and minority serving institutions. The Secretary shall distribute direct assistance in a manner proportional to energy and manufacturing industry needs and demand for jobs, consistent with information obtained under subsections (e)(3) and (i).

(d) CLEARINGHOUSE.—In carrying out the program established under subsection (a), the Secretary shall establish a clearinghouse to—

(1) maintain and update information and resources on training and workforce development programs for energy and manufacturing-related jobs, including job training and workforce development programs available to assist displaced and unemployed energy and manufacturing workers transitioning to new employment; and

(2) act as a resource, and provide guidance, for schools, community colleges, universities (including minority serving institutions), workforce development programs, labor-management organizations, and industry organizations that would like to develop and implement energy and manufacturing-related training programs.

(e) COLLABORATION.—In carrying out the program established under subsection (a), the Secretary—

(1) shall collaborate with schools, community colleges, universities (including minority serving institutions), workforce-training organizations, national laboratories, unions, State energy offices, workforce investment boards, and the energy and manufacturing industries;

(2) shall encourage and foster collaboration, mentorships, and partnerships among organizations (including unions, industry, schools, community colleges, workforce-development organizations, and colleges and universities) that currently provide effective job training programs in the energy and manufacturing fields and institutions (including schools, community colleges, workforce development programs, and colleges and universities) that seek to establish these types of programs in order to share best practices and approaches that best suit local, State, and national needs; and

(3) shall collaborate with the Bureau of Labor Statistics, the Department of Commerce, the Bureau of the Census, and the energy and manufacturing industries to develop a comprehensive and detailed understanding of the energy and manufacturing workforce needs and opportunities by State and by region, and publish an annual report on energy and

manufacturing job creation by the sectors enumerated in subsection (i).

(f) GUIDELINES FOR EDUCATIONAL INSTITUTIONS.—

(1) IN GENERAL.—In carrying out the program established under subsection (a), the Secretary, in collaboration with the Secretary of Education, the Secretary of Commerce, the Secretary of Labor, the National Science Foundation, and industry shall develop voluntary guidelines and best practices for educational institutions of all levels, including for elementary and secondary schools and community colleges and for undergraduate, graduate, and postgraduate university programs, to help provide graduates with the skills necessary to work in energy and manufacturing-related jobs.

(2) INPUT.—The Secretary shall solicit input from the oil, gas, coal, renewable, nuclear, utility, energy-intensive and advanced manufacturing, and pipeline industries in developing guidelines under paragraph (1).

(3) ENERGY AND MANUFACTURING EFFICIENCY AND CONSERVATION INITIATIVES.—The guidelines developed under paragraph (1) shall include grade-specific guidelines for teaching energy and manufac-

turing efficiency and conservation initiatives to educate students and families.

(4) STEM EDUCATION.—The guidelines developed under paragraph (1) shall promote STEM education as it relates to job opportunities in energy and manufacturing-related fields of study in schools, community colleges, and universities nationally.

(g) OUTREACH TO MINORITY SERVING INSTITUTIONS.—In carrying out the program established under subsection (a), the Secretary shall—

(1) give special consideration to increasing outreach to minority serving institutions (including historically black colleges and universities, predominantly black institutions, Hispanic serving institutions, and tribal institutions);

(2) make resources available to minority serving institutions with the objective of increasing the number of skilled minorities and women trained to go into the energy and manufacturing sectors;

(3) encourage industry to improve the opportunities for students of minority serving institutions to participate in industry internships and cooperative work/study programs; and

(4) partner with the Department of Energy laboratories to increase underrepresented groups' par-

ticipation in internships, fellowships, traineeships, and employment at all Department of Energy laboratories.

(h) OUTREACH TO DISPLACED AND UNEMPLOYED ENERGY AND MANUFACTURING WORKERS.—In carrying out the program established under subsection (a), the Secretary shall—

(1) give special consideration to increasing outreach to employers and job trainers preparing displaced and unemployed energy and manufacturing workers for emerging energy and manufacturing jobs;

(2) make resources available to institutions serving displaced and unemployed energy and manufacturing workers with the objective of training individuals to re-enter the energy and manufacturing workforce;

(3) encourage the energy and manufacturing industries to improve opportunities for displaced and unemployed energy and manufacturing workers to participate in internships and cooperative work/study programs; and

(4) work closely with the energy and manufacturing industries to identify energy and manufacturing operations, such as coal-fired power plants

and coal mines, scheduled for closure and to provide early intervention assistance to workers employed at such energy and manufacturing operations by—

(A) giving special consideration to employers and job trainers preparing such workers for emerging energy and manufacturing jobs;

(B) making resources available to institutions serving such workers with the objective of training them to re-enter the energy and manufacturing workforce; and

(C) encouraging the energy and manufacturing industries to improve opportunities for such workers to participate in internships and cooperative work-study programs.

(i) GUIDELINES TO DEVELOP SKILLS FOR AN ENERGY AND MANUFACTURING INDUSTRY WORKFORCE.—In carrying out the program established under subsection (a), the Secretary shall collaborate with representatives from the energy and manufacturing industries (including the oil, gas, coal, nuclear, utility, pipeline, renewable, petrochemical, manufacturing, and electrical construction sectors) to identify the areas of highest need in each sector and to develop guidelines for the skills necessary to develop a workforce trained to go into the following sectors of the energy and manufacturing sectors:

(1) Energy efficiency industry, including work in energy efficiency, conservation, weatherization, or retrofitting, or as inspectors or auditors.

(2) Pipeline industry, including work in pipeline construction and maintenance or work as engineers or technical advisors.

(3) Utility industry, including work in the generation, transmission, and distribution of electricity and natural gas, such as utility technicians, operators, lineworkers, engineers, scientists, and information technology specialists.

(4) Alternative fuels, including work in biofuel development and production.

(5) Nuclear industry, including work as scientists, engineers, technicians, mathematicians, or security personnel.

(6) Oil and gas industry, including work as scientists, engineers, technicians, mathematicians, petrochemical engineers, or geologists.

(7) Renewable industry, including work in the development, manufacturing, and production of renewable energy sources (such as solar, hydropower, wind, or geothermal energy).

(8) Coal industry, including work as coal miners, engineers, developers and manufacturers of

state-of-the-art coal facilities, technology vendors, coal transportation workers and operators, or mining equipment vendors.

(9) Manufacturing industry, including work as operations technicians, operations and design in additive manufacturing, 3–D printing, advanced composites, and advanced aluminum and other metal alloys, industrial energy efficiency management systems, including power electronics, and other innovative technologies.

(10) Chemical manufacturing industry, including work in construction (such as welders, pipefitters, and tool and die makers) or as instrument and electrical technicians, machinists, chemical process operators, chemical engineers, quality and safety professionals, and reliability engineers.

(j) ENROLLMENT IN TRAINING AND APPRENTICESHIP PROGRAMS.—In carrying out the program established under subsection (a), the Secretary shall work with industry, organized labor, and community-based workforce organizations to help identify students and other candidates, including from underrepresented communities such as minorities, women, and veterans, to enroll into training and apprenticeship programs for energy and manufacturing-related jobs.

TITLE III—ENERGY SECURITY AND DIPLOMACY

SEC. 3001. SENSE OF CONGRESS.

Congress finds the following:

(1) North America's energy revolution has significantly enhanced energy security in the United States, and fundamentally changed the Nation's energy future from that of scarcity to abundance.

(2) North America's energy abundance has increased global energy supplies and reduced the price of energy for consumers in the United States and abroad.

(3) Allies and trading partners of the United States, including in Europe and Asia, are seeking stable and affordable energy supplies from North America to enhance their energy security.

(4) The United States has an opportunity to improve its energy security and promote greater stability and affordability of energy supplies for its allies and trading partners through a more integrated, secure, and competitive North American energy system.

(5) The United States also has an opportunity to promote such objectives by supporting the free flow of energy commodities and more open, trans-

parent, and competitive global energy markets, and through greater Federal agency coordination relating to regulations or agency actions that significantly affect the supply, distribution, or use of energy.

SEC. 3002. ENERGY SECURITY VALUATION.

(a) ESTABLISHMENT OF ENERGY SECURITY VALUATION METHODS.—Not later than one year after the date of enactment of this Act, the Secretary of Energy, in collaboration with the Secretary of State, shall develop and transmit, after public notice and comment, to the Committee on Energy and Commerce and the Committee on Foreign Affairs of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Foreign Relations of the Senate a report that develops recommended United States energy security valuation methods. In developing the report, the Secretaries may consider the recommendations of the Administration's Quadrennial Energy Review released on April 21, 2015. The report shall—

(1) evaluate and define United States energy security to reflect modern domestic and global energy markets and the collective needs of the United States and its allies and partners;

(2) identify transparent and uniform or coordinated procedures and criteria to ensure that energy-

related actions that significantly affect the supply, distribution, or use of energy are evaluated with respect to their potential impact on energy security, including their impact on—

(A) consumers and the economy;

(B) energy supply diversity and resiliency;

(C) well-functioning and competitive energy markets;

(D) United States trade balance; and

(E) national security objectives; and

(3) include a recommended implementation strategy that identifies and aims to ensure that the procedures and criteria referred to in paragraph (2) are—

(A) evaluated consistently across the Federal Government; and

(B) weighed appropriately and balanced with environmental considerations required by Federal law.

(b) PARTICIPATION.—In developing the report referred to in subsection (a), the Secretaries may consult with relevant Federal, State, private sector, and international participants, as appropriate and consistent with applicable law.

SEC. 3003. NORTH AMERICAN ENERGY SECURITY PLAN.

(a) REQUIREMENT.—Not later than one year after the date of enactment of this Act, the Secretary of Energy, in collaboration with the Secretary of State, shall develop and transmit to the Committee on Energy and Commerce and the Committee on Foreign Affairs of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Foreign Relations of the Senate the plan described in subsection (b).

(b) PURPOSE.—The plan referred to in subsection (a) shall include—

(1) a recommended framework and implementation strategy to—

(A) improve planning and coordination with Canada and Mexico to enhance energy integration, strengthen North American energy security, and promote efficiencies in the exploration, production, storage, supply, distribution, marketing, pricing, and regulation of North American energy resources; and

(B) address—

(i) North American energy public data, statistics, and mapping collaboration;

(ii) responsible and sustainable best practices for the development of unconventional oil and natural gas; and

(iii) modern, resilient energy infrastructure for North America, including physical infrastructure as well as institutional infrastructure such as policies, regulations, and practices relating to energy development; and

(2) a recommended framework and implementation strategy to improve collaboration with Caribbean and Central American partners on energy security, including actions to support—

(A) more open, transparent, and competitive energy markets;

(B) regulatory capacity building;

(C) improvements to energy transmission and storage; and

(D) improvements to the performance of energy infrastructure and efficiency.

(c) PARTICIPATION.—In developing the plan referred to in subsection (a), the Secretaries may consult with other Federal, State, private sector, and international participants, as appropriate and consistent with applicable law.

SEC. 3004. COLLECTIVE ENERGY SECURITY.

(a) IN GENERAL.—The Secretary of Energy and the Secretary of State shall collaborate to strengthen domestic

energy security and the energy security of the allies and trading partners of the United States, including through actions that support or facilitate—

(1) energy diplomacy;

(2) the delivery of United States assistance, including energy resources and technologies, to prevent or mitigate an energy security crisis;

(3) the development of environmentally and commercially sustainable energy resources;

(4) open, transparent, and competitive energy markets; and

(5) regulatory capacity building.

(b) ENERGY SECURITY FORUMS.—Not later than one year after the date of enactment of this Act, the Secretary of Energy, in collaboration with the Secretary of State, shall convene not less than 2 forums to promote the collective energy security of the United States and its allies and trading partners. The forums shall include participation by the Secretary of Energy and the Secretary of State. In addition, an invitation shall be extended to—

(1) appropriate representatives of foreign governments that are allies or trading partners of the United States; and

(2) independent experts and industry representatives.

(c) REQUIREMENTS.—The forums shall—

(1) consist of at least one Trans-Atlantic and one Trans-Pacific energy security forum;

(2) be designed to foster dialogue among government officials, independent experts, and industry representatives regarding—

(A) the current state of global energy markets;

(B) trade and investment issues relevant to energy; and

(C) barriers to more open, competitive, and transparent energy markets; and

(3) be recorded and made publicly available on the Department of Energy's website, including, not later than 30 days after each forum, publication on the website any significant outcomes.

(d) NOTIFICATION.—At least 30 days before each of the forums referred to in subsection (b), the Secretary of Energy shall send a notification regarding the forum to—

(1) the chair and the ranking minority member of the Committee on Energy and Commerce and the Committee on Foreign Affairs of the House of Representatives; and

(2) the chair and ranking minority member of the Committee on Energy and Natural Resources

and the Committee on Foreign Relations of the Senate.

SEC. 3005. STRATEGIC PETROLEUM RESERVE MISSION READINESS PLAN.

Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall conduct a long-range strategic review of the Strategic Petroleum Reserve and develop and transmit to Congress a plan that includes an analysis and implementation schedule that—

(1) specifies near-term and long-term roles of the Strategic Petroleum Reserve relative to United States energy security and economic goals and objectives;

(2) describes existing legal authorities governing the policies, configuration, and capabilities of the Strategic Petroleum Reserve;

(3) identifies Strategic Petroleum Reserve configuration and performance capabilities and recommends an action plan to achieve the optimal—

(A) capacity, location, and composition of petroleum products in the Reserve; and

(B) storage and distributional capabilities; and

(4) estimates the resources required to attain and maintain the Strategic Petroleum Reserve's

long-term sustainability and operational effectiveness.

SEC. 3006. AUTHORIZATION TO EXPORT NATURAL GAS.

(a) DECISION DEADLINE.—For proposals that must also obtain authorization from the Federal Energy Regulatory Commission or the United States Maritime Administration to site, construct, expand, or operate LNG export facilities, the Department of Energy shall issue a final decision on any application for the authorization to export natural gas under section 3 of the Natural Gas Act (15 U.S.C. 717b) not later than 30 days after the later of—

(1) the conclusion of the review to site, construct, expand, or operate the LNG facilities required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(2) the date of enactment of this Act.

(b) CONCLUSION OF REVIEW.—For purposes of subsection (a), review required by the National Environmental Policy Act of 1969 shall be considered concluded—

(1) for a project requiring an Environmental Impact Statement, 30 days after publication of a Final Environmental Impact Statement;

(2) for a project for which an Environmental Assessment has been prepared, 30 days after publi-

cation by the Department of Energy of a Finding of No Significant Impact; and

(3) upon a determination by the lead agency that an application is eligible for a categorical exclusion pursuant to National Environmental Policy Act of 1969 implementing regulations.

(c) PUBLIC DISCLOSURE OF EXPORT DESTINATIONS.—Section 3 of the Natural Gas Act (15 U.S.C. 717b) is amended by adding at the end the following:

''(g) PUBLIC DISCLOSURE OF LNG EXPORT DESTINATIONS.—As a condition for approval of any authorization to export LNG, the Secretary of Energy shall require the applicant to publicly disclose the specific destination or destinations of any such authorized LNG exports.''.

TITLE IV—ENERGY EFFICIENCY AND ACCOUNTABILITY

Subtitle A—Energy Efficiency

CHAPTER 1—FEDERAL AGENCY ENERGY EFFICIENCY

SEC. 4111. ENERGY-EFFICIENT AND ENERGY-SAVING INFORMATION TECHNOLOGIES.

(a) AMENDMENT.—Subtitle C of title V of the Energy Independence and Security Act of 2007 (Public Law 110–140; 121 Stat. 1661) is amended by adding at the end the following:

"SEC. 530. ENERGY-EFFICIENT AND ENERGY-SAVING INFORMATION TECHNOLOGIES.

''(a) DEFINITIONS.—In this section:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) INFORMATION TECHNOLOGY.—The term 'information technology' has the meaning given that term in section 11101 of title 40, United States Code.

''(b) DEVELOPMENT OF IMPLEMENTATION STRATEGY.—Not later than 1 year after the date of enactment of this section, each Federal agency shall coordinate with the Director, the Secretary, and the Administrator of the Environmental Protection Agency to develop an implementation strategy (that includes best practices and measurement and verification techniques) for the maintenance, purchase, and use by the Federal agency of energy-efficient and energy-saving information technologies, taking into consideration the performance goals established under subsection (d).

''(c) ADMINISTRATION.—In developing an implementation strategy under subsection (b), each Federal agency shall consider—

''(1) advanced metering infrastructure;

''(2) energy-efficient data center strategies and methods of increasing asset and infrastructure utilization;

''(3) advanced power management tools;

''(4) building information modeling, including building energy management;

''(5) secure telework and travel substitution tools; and

''(6) mechanisms to ensure that the agency realizes the energy cost savings brought about through increased efficiency and utilization.

''(d) PERFORMANCE GOALS.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Director, in consultation with the Secretary, shall establish performance goals for evaluating the efforts of Federal agencies in improving the maintenance, purchase, and use of energy-efficient and energy-saving information technology.

''(2) BEST PRACTICES.—The Chief Information Officers Council established under section 3603 of title 44, United States Code, shall recommend best practices for the attainment of the performance goals, which shall include Federal agency consider-

ation of, to the extent applicable by law, the use of—

''(A) energy savings performance contracting; and

''(B) utility energy services contracting.

''(e) REPORTS.—

''(1) AGENCY REPORTS.—Each Federal agency shall include in the report of the agency under section 527 a description of the efforts and results of the agency under this section.

''(2) OMB GOVERNMENT EFFICIENCY REPORTS AND SCORECARDS.—Effective beginning not later than October 1, 2017, the Director shall include in the annual report and scorecard of the Director required under section 528 a description of the efforts and results of Federal agencies under this section.''.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Independence and Security Act of 2007 is amended by adding after the item relating to section 529 the following:

''Sec. 530. Energy-efficient and energy-saving information technologies.''.

SEC. 4112. ENERGY EFFICIENT DATA CENTERS.

Section 453 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17112) is amended—

(1) in subsection (b)(2)(D)(iv), by striking ''determined by the organization'' and inserting ''proposed by the stakeholders'';

(2) by striking subsection (b)(3); and

(3) by striking subsections (c) through (g) and inserting the following:

''(c) STAKEHOLDER INVOLVEMENT.—The Secretary and the Administrator shall carry out subsection (b) in collaboration with the information technology industry and other key stakeholders, with the goal of producing results that accurately reflect the most relevant and useful information available. In such collaboration, the Secretary and the Administrator shall pay particular attention to organizations that—

''(1) have members with expertise in energy efficiency and in the development, operation, and functionality of data centers, information technology equipment, and software, such as representatives of hardware manufacturers, data center operators, and facility managers;

''(2) obtain and address input from Department of Energy National Laboratories or any college, university, research institution, industry association, company, or public interest group with applicable expertise;

''(3) follow—

''(A) commonly accepted procedures for the development of specifications; and

''(B) accredited standards development processes; and

''(4) have a mission to promote energy efficiency for data centers and information technology.

''(d) MEASUREMENTS AND SPECIFICATIONS.—The Secretary and the Administrator shall consider and assess the adequacy of the specifications, measurements, best practices, and benchmarks described in subsection (b) for use by the Federal Energy Management Program, the Energy Star Program, and other efficiency programs of the Department of Energy or the Environmental Protection Agency.

''(e) STUDY.—The Secretary, in collaboration with the Administrator, shall, not later than 18 months after the date of enactment of the North American Energy Security and Infrastructure Act of 2015, make available to the public an update to the Report to Congress on Server and Data Center Energy Efficiency published on August 2, 2007, under section 1 of Public Law 109–431 (120 Stat. 2920), that provides—

''(1) a comparison and gap analysis of the estimates and projections contained in the original re-

port with new data regarding the period from 2008 through 2015;

''(2) an analysis considering the impact of information technologies, including virtualization and cloud computing, in the public and private sectors;

''(3) an evaluation of the impact of the combination of cloud platforms, mobile devices, social media, and big data on data center energy usage;

''(4) an evaluation of water usage in data centers and recommendations for reductions in such water usage; and

''(5) updated projections and recommendations for best practices through fiscal year 2020.

''(f) DATA CENTER ENERGY PRACTITIONER PROGRAM.—The Secretary, in collaboration with key stakeholders and the Director of the Office of Management and Budget, shall maintain a data center energy practitioner program that leads to the certification of energy practitioners qualified to evaluate the energy usage and efficiency opportunities in Federal data centers. Each Federal agency shall consider having the data centers of the agency evaluated every 4 years, in accordance with section 543(f) of the National Energy Conservation Policy Act (42 U.S.C. 8253), by energy practitioners certified pursuant to such program.

''(g) OPEN DATA INITIATIVE.—The Secretary, in collaboration with key stakeholders and the Director of the Office of Management and Budget, shall establish an open data initiative for Federal data center energy usage data, with the purpose of making such data available and accessible in a manner that encourages further data center innovation, optimization, and consolidation. In establishing the initiative, the Secretary shall consider the use of the online Data Center Maturity Model.

''(h) INTERNATIONAL SPECIFICATIONS AND METRICS.—The Secretary, in collaboration with key stakeholders, shall actively participate in efforts to harmonize global specifications and metrics for data center energy and water efficiency.

''(i) DATA CENTER UTILIZATION METRIC.—The Secretary, in collaboration with key stakeholders, shall facilitate the development of an efficiency metric that measures the energy efficiency of a data center (including equipment and facilities).

''(j) PROTECTION OF PROPRIETARY INFORMATION.—The Secretary and the Administrator shall not disclose any proprietary information or trade secrets provided by any individual or company for the purposes of carrying out this section or the programs and initiatives established under this section.''.

SEC. 4113. REPORT ON ENERGY AND WATER SAVINGS POTENTIAL FROM THERMAL INSULATION.

(a) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Energy, in consultation with appropriate Federal agencies and relevant stakeholders, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the impact of thermal insulation on both energy and water use systems for potable hot and chilled water in Federal buildings, and the return on investment of installing such insulation.

(b) CONTENTS.—The report shall include—

(1) an analysis based on the cost of municipal or regional water for delivered water and the avoided cost of new water; and

(2) a summary of energy and water savings, including short-term and long-term (20 years) projections of such savings.

SEC. 4114. FEDERAL PURCHASE REQUIREMENT.

(a) DEFINITIONS.—Section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b)) is amended by striking paragraph (2) and inserting the following:

''(2) RENEWABLE ENERGY.—The term 'renewable energy' means electric energy, or thermal energy if resulting from a thermal energy project

placed in service after December 31, 2014, generated from, or avoided by, solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste (in accordance with subsection (e)), qualified waste heat resource, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.

''(3) QUALIFIED WASTE HEAT RESOURCE.—The term 'qualified waste heat resource' means—

''(A) exhaust heat or flared gas from any industrial process;

''(B) waste gas or industrial tail gas that would otherwise be flared, incinerated, or vented;

''(C) a pressure drop in any gas for an industrial or commercial process; or

''(D) such other forms of waste heat as the Secretary determines appropriate.''.

(b) PAPER RECYCLING.—Section 203 of the Energy Policy Act of 2005 (42 U.S.C. 15852) is amended by adding at the end the following:

''(e) PAPER RECYCLING.—

''(1) SEPARATE COLLECTION.—For purposes of this section, any Federal agency may consider elec-

tric energy generation purchased from a facility to be renewable energy if the municipal solid waste used by the facility to generate the electricity is—

"(A) separately collected (within the meaning of section 246.101(z) of title 40, Code of Federal Regulations, as in effect on the date of enactment of the North American Energy Security and Infrastructure Act of 2015) from paper that is commonly recycled; and

"(B) processed in a way that keeps paper that is commonly recycled segregated from nonrecyclable solid waste.

"(2) INCIDENTAL INCLUSION.—Municipal solid waste used to generate electric energy that meets the conditions described in paragraph (1) shall be considered renewable energy even if the municipal solid waste contains incidental commonly recycled paper.

"(3) NO EFFECT ON EXISTING PROCESSES.—Nothing in paragraph (1) shall be interpreted to require a State or political subdivision of a State, directly or indirectly, to change the systems, processes, or equipment it uses to collect, treat, dispose of, or otherwise use municipal solid waste, within the meaning of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), nor require a change to the regula-

tions that implement subtitle D of such Act (42 U.S.C. 6941 et seq.).''.

SEC. 4115. ENERGY PERFORMANCE REQUIREMENT FOR FEDERAL BUILDINGS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ENERGY PERFORMANCE REQUIREMENT FOR FEDERAL BUILDINGS.—

''(1) REQUIREMENT.—Subject to paragraph (2), each agency shall apply energy conservation measures to, and shall improve the design for the construction of, the Federal buildings of the agency (including each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in fiscal years 2006 through 2017 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in fiscal year 2003, by the percentage specified in the following table:

''Fiscal Year	Percentage Reduction
2006	2
2007	4
2008	9
2009	12
2010	15
2011	18
2012	21

"Fiscal Year	Percentage Reduction
2013	24
2014	27
2015	30
2016	33
2017	36.

''(2) EXCLUSION FOR BUILDINGS WITH ENERGY INTENSIVE ACTIVITIES.—

''(A) IN GENERAL.—An agency may exclude from the requirements of paragraph (1) any building (including the associated energy consumption and gross square footage) in which energy intensive activities are carried out.

''(B) REPORTS.—Each agency shall identify and list in each report made under section 548(a) the buildings designated by the agency for exclusion under subparagraph (A).

''(3) REVIEW.—Not later than December 31, 2017, the Secretary shall—

''(A) review the results of the implementation of the energy performance requirements established under paragraph (1); and

''(B) based on the review conducted under subparagraph (A), submit to Congress a report that addresses the feasibility of requiring each agency to apply energy conservation measures to, and improve the design for the construction of, the Federal buildings of the agency (includ-

ing each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in each of fiscal years 2018 through 2030 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in the prior fiscal year, by 3 percent.''; and

(2) in subsection (f)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively; and

(ii) by inserting after subparagraph (D) the following:

''(E) ONGOING COMMISSIONING.—The term 'ongoing commissioning' means an ongoing process of commissioning using monitored data, the primary goal of which is to ensure continuous optimum performance of a facility, in accordance with design or operating needs, over the useful life of the facility, while meeting facility occupancy requirements.'';

(B) in paragraph (2), by adding at the end the following:

''(C) ENERGY MANAGEMENT SYSTEM.—An energy manager designated under subparagraph (A) shall consider use of a system to manage energy use at the facility and certification of the facility in accordance with the International Organization for Standardization standard numbered 50001 and entitled 'Energy Management Systems'.'';

(C) by striking paragraphs (3) and (4) and inserting the following:

''(3) ENERGY AND WATER EVALUATIONS AND COMMISSIONING.—

''(A) EVALUATIONS.—Except as provided in subparagraph (B), effective beginning on the date that is 180 days after the date of enactment of the North American Energy Security and Infrastructure Act of 2015, and annually thereafter, each energy manager shall complete, for each calendar year, a comprehensive energy and water evaluation and recommissioning or retrocommissioning for approximately 25 percent of the facilities of that energy manager's agency that meet the criteria under paragraph (2)(B) in a manner that ensures that an eval-

uation of each facility is completed at least once every 4 years.

''(B) EXCEPTIONS.—An evaluation and recommissioning or recommissioning shall not be required under subparagraph (A) with respect to a facility that—

''(i) has had a comprehensive energy and water evaluation during the 8-year period preceding the date of the evaluation;

''(ii)(I) has been commissioned, recommissioned, or retrocommissioned during the 10-year period preceding the date of the evaluation; or

''(II) is under ongoing commissioning, recommissioning, or retrocommissioning;

''(iii) has not had a major change in function or use since the previous evaluation and commissioning, recommissioning, or retrocommissioning;

''(iv) has been benchmarked with public disclosure under paragraph (8) within the year preceding the evaluation; and

''(v)(I) based on the benchmarking, has achieved at a facility level the most recent cumulative energy savings target

under subsection (a) compared to the earlier of—

''(aa) the date of the most recent evaluation; or

''(bb) the date—

''(AA) of the most recent commissioning, recommissioning, or retrocommissioning; or

''(BB) on which ongoing commissioning, recommissioning, or retrocommissioning began; or

''(II) has a long-term contract in place guaranteeing energy savings at least as great as the energy savings target under subclause (I).

''(4) IMPLEMENTATION OF IDENTIFIED ENERGY AND WATER EFFICIENCY MEASURES.—

''(A) IN GENERAL.—Not later than 2 years after the date of completion of each evaluation under paragraph (3), each energy manager may—

''(i) implement any energy- or water-saving measure that the Federal agency identified in the evaluation conducted

under paragraph (3) that is life-cycle cost effective; and

''(ii) bundle individual measures of varying paybacks together into combined projects.

''(B) MEASURES NOT IMPLEMENTED.—Each energy manager, as part of the certification system under paragraph (7) and using guidelines developed by the Secretary, shall provide an explanation regarding any life-cycle cost-effective measures described in subparagraph (A)(i) that have not been implemented.''; and

(D) in paragraph (7)(C), by adding at the end the following:

''(iii) SUMMARY REPORT.—The Secretary shall make publicly available a report that summarizes the information tracked under subparagraph (B)(i) by each agency and, as applicable, by each type of measure.''.

SEC. 4116. FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS; CERTIFICATION SYSTEM AND LEVEL FOR FEDERAL BUILDINGS.

(a) DEFINITIONS.—Section 303 of the Energy Conservation and Production Act (42 U.S.C. 6832) is amended—

(1) in paragraph (6), by striking ''to be constructed'' and inserting ''constructed or altered''; and

(2) by adding at the end the following:

''(17) MAJOR RENOVATION.—The term 'major renovation' means a modification of building energy systems sufficiently extensive that the whole building can meet energy standards for new buildings, based on criteria to be established by the Secretary through notice and comment rulemaking.''.

(b) FEDERAL BUILDING EFFICIENCY STANDARDS.—Section 305 of the Energy Conservation and Production Act (42 U.S.C. 6834) is amended—

(1) in subsection (a)(3)—

(A) by striking ''(3)(A) Not later than'' and all that follows through the end of subparagraph (B) and inserting the following:

''(3) REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS; CERTIFICATION FOR GREEN BUILDINGS.—

''(A) REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.—

''(i) IN GENERAL.—Not later than 1 year after the date of enactment of the North American Energy Security and Infrastructure Act of 2015, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that—

''(I) new Federal buildings and alterations and additions to existing Federal buildings—

''(aa) meet or exceed the most recent revision of the IECC (in the case of residential buildings) or ASHRAE Standard 90.1 (in the case of commercial buildings) as of the date of enactment of the North American Energy Security and Infrastructure Act of 2015; and

''(bb) meet or exceed the energy provisions of State and local building codes applicable to the building, if the codes are more stringent than the IECC or ASHRAE Standard 90.1, as applicable;

''(II) unless demonstrated not to be life-cycle cost effective for new Federal buildings and Federal buildings with major renovations—

''(aa) the buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the version of the ASHRAE Standard or the IECC, as appropriate, that is applied under subclause (I)(aa), including updates under subparagraph (B); and

''(bb) sustainable design principles are applied to the location, siting, design, and construction of all new Federal buildings

and replacement Federal buildings;

''(III) if water is used to achieve energy efficiency, water conservation technologies shall be applied to the extent that the technologies are life-cycle cost effective; and

''(IV) if life-cycle cost effective, as compared to other reasonably available technologies, not less than 30 percent of the hot water demand for each new Federal building or Federal building undergoing a major renovation be met through the installation and use of solar hot water heaters.

''(ii) LIMITATION.—Clause (i)(I) shall not apply to unaltered portions of existing Federal buildings and systems that have been added to or altered.

''(B) UPDATES.—Not later than 1 year after the date of approval of each subsequent revision of ASHRAE Standard 90.1 or the IECC, as appropriate, the Secretary shall determine whether the revised standards established under subparagraph (A) should be updated to

reflect the revisions, based on the energy savings and life-cycle cost effectiveness of the revisions.'';

(B) in subparagraph (C), by striking ''(C) In the budget request'' and inserting the following:

''(C) BUDGET REQUEST.—In the budget request''; and

(C) in subparagraph (D)—

(i) by striking ''(D) Not later than'' and all that follows through the end of the first sentence of clause (i)(III) and inserting the following:

''(D) CERTIFICATION FOR GREEN BUILDINGS.—

''(i) IN GENERAL.—'';

(ii) by striking clause (ii);

(iii) in clause (iii), by striking ''(iii) In identifying'' and inserting the following:

''(ii) CONSIDERATIONS.—In identifying'';

(iv) in clause (iv)—

(I) by striking ''(iv) At least once'' and inserting the following:

''(iii) STUDY.—At least once''; and

(II) by striking ''clause (iii)'' and inserting ''clause (ii)'';

(v) in clause (v)—

(I) by striking ''(v) The Secretary may'' and inserting the following:

''(iv) INTERNAL CERTIFICATION PROCESSES.—The Secretary may''; and

(II) by striking ''clause (i)(III)'' each place it appears and inserting ''clause (i)'';

(vi) in clause (vi)—

(I) by striking ''(vi) With respect'' and inserting the following:

''(v) PRIVATIZED MILITARY HOUSING.—With respect''; and

(II) by striking ''develop alternative criteria to those established by subclauses (I) and (III) of clause (i) that achieve an equivalent result in terms of energy savings, sustainable design, and'' and inserting ''develop alternative certification systems and levels than the systems and levels

identified under clause (i) that achieve an equivalent result in terms of''; and

(vii) in clause (vii), by striking ''(vii) In addition to'' and inserting the following:

''(vi) WATER CONSERVATION TECHNOLOGIES.—In addition to''; and

(2) by striking subsections (c) and (d) and inserting the following:

''(c) PERIODIC REVIEW.—The Secretary shall—

''(1) every 5 years, review the Federal building energy standards established under this section; and

''(2) on completion of a review under paragraph (1), if the Secretary determines that significant energy savings would result, upgrade the standards to include all new energy efficiency and renewable energy measures that are technologically feasible and economically justified.''.

SEC. 4117. OPERATION OF BATTERY RECHARGING STATIONS IN PARKING AREAS USED BY FEDERAL EMPLOYEES.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The head of any office of the Federal Government which owns or operates a parking area for the use of its employees (either directly or indirectly through a contractor) may in-

stall, construct, operate, and maintain on a reimbursable basis a battery recharging station in such area for the use of privately owned vehicles of employees of the office and others who are authorized to park in such area.

(2) USE OF VENDORS.—The head of an office may carry out paragraph (1) through a contract with a vendor, under such terms and conditions (including terms relating to the allocation between the office and the vendor of the costs of carrying out the contract) as the head of the office and the vendor may agree to.

(b) IMPOSITION OF FEES TO COVER COSTS.—

(1) FEES.—The head of an office of the Federal Government which operates and maintains a battery recharging station under this section shall charge fees to the individuals who use the station in such amount as is necessary to ensure that office recovers all of the costs it incurs in installing, constructing, operating, and maintaining the station.

(2) DEPOSIT AND AVAILABILITY OF FEES.—Any fees collected by the head of an office under this subsection shall be—

(A) deposited monthly in the Treasury to the credit of the appropriations account for salaries and expenses of the office; and

(B) available for obligation without further appropriation during—

(i) the fiscal year collected; and

(ii) the fiscal year following the fiscal year collected.

(c) NO EFFECT ON EXISTING PROGRAMS FOR HOUSE AND SENATE.—Nothing in this section may be construed to affect the installation, construction, operation, or maintenance of battery recharging stations by the Architect of the Capitol—

(1) under Public Law 112–170 (2 U.S.C. 2171), relating to employees of the House of Representatives and individuals authorized to park in any parking area under the jurisdiction of the House of Representatives on the Capitol Grounds; or

(2) under Public Law 112–167 (2 U.S.C. 2170), relating to employees of the Senate and individuals authorized to park in any parking area under the jurisdiction of the Senate on the Capitol Grounds.

(d) EFFECTIVE DATE.—This section shall apply with respect to fiscal year 2016 and each succeeding fiscal year.

CHAPTER 2—ENERGY EFFICIENT TECHNOLOGY AND MANUFACTURING

SEC. 4121. INCLUSION OF SMART GRID CAPABILITY ON ENERGY GUIDE LABELS.

Section 324(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(2)) is amended by adding the following at the end:

''(J) SMART GRID CAPABILITY ON ENERGY GUIDE LABELS.—

''(i) RULE.—Not later than 1 year after the date of enactment of this subparagraph, the Commission shall initiate a rulemaking to consider making a special note in a prominent manner on any Energy Guide label for any product that includes Smart Grid capability that—

''(I) Smart Grid capability is a feature of that product;

''(II) the use and value of that feature depend on the Smart Grid capability of the utility system in which the product is installed and the active utilization of that feature by the customer; and

''(III) on a utility system with Smart Grid capability, the use of the product's Smart Grid capability could reduce the customer's cost of the product's annual operation as a result of the incremental energy and electricity cost savings that would result from the customer taking full advantage of such Smart Grid capability.

''(ii) DEADLINE.—Not later than 3 years after the date of enactment of this subparagraph, the Commission shall complete the rulemaking initiated under clause (i).''.

SEC. 4122. VOLUNTARY VERIFICATION PROGRAMS FOR AIR CONDITIONING, FURNACE, BOILER, HEAT PUMP, AND WATER HEATER PRODUCTS.

Section 326(b) of the Energy Policy and Conservation Act (42 U.S.C. 6296(b)) is amended by adding at the end the following:

''(6) VOLUNTARY VERIFICATION PROGRAMS FOR AIR CONDITIONING, FURNACE, BOILER, HEAT PUMP, AND WATER HEATER PRODUCTS.—

''(A) RELIANCE ON VOLUNTARY PROGRAMS.—For the purpose of verifying compli-

ance with energy conservation standards established under sections 325 and 342 for covered products described in paragraphs (3), (4), (5), (9), and (11) of section 322(a) and covered equipment described in subparagraphs (B), (C), (D), (F), (I), (J), and (K) of section 340(1), the Secretary shall rely on testing conducted by recognized voluntary verification programs that are recognized by the Secretary in accordance with subparagraph (B).

''(B) RECOGNITION OF VOLUNTARY VERIFICATION PROGRAMS.—

''(i) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, the Secretary shall initiate a negotiated rulemaking in accordance with subchapter III of chapter 5 of title 5, United States Code (commonly known as the 'Negotiated Rulemaking Act of 1990') to develop criteria that have consensus support for achieving recognition by the Secretary as an approved voluntary verification program. Any subsequent amendment to such criteria may be made only pursuant to a subsequent negotiated

rulemaking in accordance with subchapter III of chapter 5 of title 5, United States Code.

''(ii) MINIMUM REQUIREMENTS.—The criteria developed under clause (i) shall, at a minimum, ensure that a voluntary verification program—

''(I) is nationally recognized;

''(II) is operated by a third party and not directly operated by a program participant;

''(III) satisfies any applicable elements of—

''(aa) International Organization for Standardization standard numbered 17025; and

''(bb) any other relevant International Organization for Standardization standards identified and agreed to through the negotiated rulemaking under clause (i);

''(IV) at least annually tests independently obtained products following the test procedures established

under this title to verify the certified rating of a representative sample of products and equipment within the scope of the program;

''(V) maintains a publicly available list of all ratings of products subject to verification;

''(VI) requires the changing of the performance rating or removal of the product or equipment from the program if testing determines that the performance rating does not meet the levels the manufacturer has certified to the Secretary;

''(VII) requires new program participants to substantiate ratings through test data generated in accordance with Department of Energy regulations;

''(VIII) allows for challenge testing of products and equipment within the scope of the program;

''(IX) requires program participants to disclose the performance rating of all covered products and equip-

ment within the scope of the program for the covered product or equipment;

''(X) provides to the Secretary—

''(aa) an annual report of all test results, the contents of which shall be determined through the negotiated rulemaking process under clause (i); and

''(bb) test reports, on the request of the Secretary, that note any instructions specified by the manufacturer or the representative of the manufacturer for the purpose of conducting the verification testing, to be exempted from disclosure under section 552(b)(4) of title 5, United States Code; and

''(XI) satisfies any additional requirements or standards that the Secretary shall establish consistent with this subparagraph.

''(iii) CESSATION OF RECOGNITION.—The Secretary may only cease recognition of a voluntary verification program as an

approved program described in subparagraph (A) upon a finding that the program is not meeting its obligations for compliance through program review criteria developed during the negotiated rulemaking conducted under subparagraph (B).

''(C) ADMINISTRATION.—

''(i) IN GENERAL.—The Secretary shall not require—

''(I) manufacturers to participate in a recognized voluntary verification program described in subparagraph (A); or

''(II) participating manufacturers to provide information that has already been provided to the Secretary.

''(ii) LIST OF COVERED PRODUCTS.—The Secretary may maintain a publicly available list of covered products and equipment that distinguishes between products that are and are not covered products and equipment verified through a recognized voluntary verification program described in subparagraph (A).

''(iii) PERIODIC VERIFICATION TESTING.—The Secretary—

''(I) shall not subject products or equipment that have been verification tested under a recognized voluntary verification program described in subparagraph (A) to periodic verification testing to verify the accuracy of the certified performance rating of the products or equipment; but

''(II) may require testing of products or equipment described in subclause (I)—

''(aa) if the testing is necessary—

''(AA) to assess the overall performance of a voluntary verification program;

''(BB) to address specific performance issues;

''(CC) for use in updating test procedures and standards; or

''(DD) for other purposes consistent with this title; or

''(bb) if such testing is agreed to during the negotiated rulemaking conducted under subparagraph (B).

''(D) EFFECT ON OTHER AUTHORITY.—Nothing in this paragraph limits the authority of the Secretary to enforce compliance with any law.''.

SEC. 4123. FACILITATING CONSENSUS FURNACE STANDARDS.

(a) CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.—

(1) FINDINGS.—Congress finds that—

(A) acting pursuant to the requirements of section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), the Secretary of Energy is considering amending the energy conservation standards applicable to residential nonweatherized gas furnaces and mobile home gas furnaces;

(B) numerous stakeholders, representing manufacturers, distributors, and installers of

residential nonweatherized gas furnaces and mobile home furnaces, natural gas utilities, home builders, multifamily property owners, and energy efficiency, environmental, and consumer advocates have begun negotiations in an attempt to agree on a consensus recommendation to the Secretary on levels for such standards that will meet the statutory criteria; and

(C) the stakeholders believe these negotiations are likely to result in a consensus recommendation, but several of the stakeholders do not support suspending the current rulemaking.

(2) PURPOSE.—It is the purpose of this section to provide the stakeholders described in paragraph (1) with an opportunity to continue negotiations for a limited time period to facilitate the proposal for adoption of standards that enjoy consensus support, while not delaying the current rulemaking except to the extent necessary to provide such opportunity.

(b) OPPORTUNITY FOR A NEGOTIATED FURNACE STANDARD.—Section 325(f)(4) of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)(4)) is amended by adding after subparagraph (D) the following:

''(E)(i) Unless the Secretary has published such a notice prior to the date of enactment of this Act, the Secretary shall publish, not later than October 31, 2015, a supplemental notice of proposed rulemaking or a notice of data availability updating the proposed rule entitled 'Energy Conservation Program for Consumer Products: Energy Conservation Standards for Residential Furnaces' and published in the Federal Register on March 12, 2015 (80 Fed. Reg. 13119), to provide notice and an opportunity for comment on—

''(I) dividing nonweatherized gas furnaces into two or more product classes with separate energy conservation standards based on capacity; and

''(II) any other matters the Secretary determines appropriate.

''(ii) On receipt of a statement that is submitted on or before January 1, 2016, jointly by interested persons that are fairly representative of relevant points of view, that contains recommended standards for nonweatherized gas furnaces and mobile home gas furnaces that are consistent with the requirements of this part (except that the date on which such standards will apply may be earlier or later than the date required under this part), the Secretary shall evaluate the standards proposed in the joint statement for consistency with the requirements of sub-

section (o), and shall publish notice of the potential adoption of the standards proposed in the joint statement, modified as necessary to ensure consistency with subsection (o). The Secretary shall solicit public comment for a period of at least 30 days with respect to such notice.

''(iii) Not later than July 31, 2016, but not before July 1, 2016, the Secretary shall publish a final rule containing a determination of whether the standards for nonweatherized gas furnaces and mobile home gas furnaces should be amended. Such rule shall contain any such amendments to the standards.''.

SEC. 4124. FUTURE OF INDUSTRY PROGRAM.

(a) IN GENERAL.—Section 452 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111) is amended by striking the section heading and inserting the following: ''**FUTURE OF INDUSTRY PROGRAM**''.

(b) DEFINITION OF ENERGY SERVICE PROVIDER.—Section 452(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111(a)) is amended—

(1) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively; and

(2) by inserting after paragraph (2):

''(3) ENERGY SERVICE PROVIDER.—The term 'energy service provider' means any business providing technology or services to improve the energy

efficiency, water efficiency, power factor, or load management of a manufacturing site or other industrial process in an energy-intensive industry, or any utility operating under a utility energy service project.''.

(c) INDUSTRIAL RESEARCH AND ASSESSMENT CENTERS.—Section 452(e) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111(e)) is amended—

(1) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and indenting appropriately;

(2) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(3) in subparagraph (A) (as redesignated by paragraph (1)), by inserting before the semicolon at the end the following: '', including assessments of sustainable manufacturing goals and the implementation of information technology advancements for supply chain analysis, logistics, system monitoring, industrial and manufacturing processes, and other purposes''; and

(4) by adding at the end the following:

''(2) COORDINATION.—To increase the value and capabilities of the industrial research and assessment centers, the centers shall—

''(A) coordinate with Manufacturing Extension Partnership Centers of the National Institute of Standards and Technology;

''(B) coordinate with the Building Technologies Office of the Department of Energy to provide building assessment services to manufacturers;

''(C) increase partnerships with the National Laboratories of the Department of Energy to leverage the expertise and technologies of the National Laboratories for national industrial and manufacturing needs; and

''(D) increase partnerships with energy service providers and technology providers to leverage private sector expertise and accelerate deployment of new and existing technologies and processes for energy efficiency, power factor, and load management.

''(3) OUTREACH.—The Secretary shall provide funding for—

''(A) outreach activities by the industrial research and assessment centers to inform

small- and medium-sized manufacturers of the information, technologies, and services available; and

''(B) coordination activities by each industrial research and assessment center to leverage efforts with—

''(i) Federal and State efforts;

''(ii) the efforts of utilities and energy service providers;

''(iii) the efforts of regional energy efficiency organizations; and

''(iv) the efforts of other industrial research and assessment centers.

''(4) SMALL BUSINESS LOANS.—The Administrator of the Small Business Administration shall, to the maximum extent practicable, expedite consideration of applications from eligible small business concerns for loans under the Small Business Act (15 U.S.C. 631 et seq.) to implement recommendations of industrial research and assessment centers established under paragraph (1).''.

(d) CONFORMING AMENDMENT.—The item relating to section 452 in the table of contents for the Energy Independence and Security Act of 2007 is amended to read as follows:

''Sec. 452. Future of Industry program.''.

SEC. 4125. NO WARRANTY FOR CERTAIN CERTIFIED ENERGY STAR PRODUCTS.

Section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a) is amended by adding at the end the following new subsection:

''(e) NO WARRANTY.—

''(1) IN GENERAL.—Any disclosure relating to participation of a product in the Energy Star program shall not create an express or implied warranty or give rise to any private claims or rights of action under State or Federal law relating to the disqualification of that product from Energy Star if—

''(A) the product has been certified by a certification body recognized by the Energy Star program;

''(B) the Administrator has approved corrective measures, including a determination of whether or not consumer compensation is appropriate; and

''(C) the responsible party has fully complied with all approved corrective measures.

''(2) CONSTRUAL.—Nothing in this subsection shall be construed to require the Administrator to modify any procedure or take any other action.''.

SEC. 4126. CLARIFICATION TO EFFECTIVE DATE FOR REGIONAL STANDARDS.

Section 325(o)(6)(E)(ii) of the Energy Policy and Conservation Act (42 U.S.C. 6295(o)(6)(E)(ii)) is amended by striking ''installed'' and inserting ''manufactured or imported into the United States''.

SEC. 4127. INTERNET OF THINGS REPORT.

The Secretary of Energy shall, not later than 18 months after the date of enactment of this Act, report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on the efforts made to take advantage of, and promote, the utilization of advanced technologies such as Internet of Things end-to-end platform solutions to provide real-time actionable analytics and enable predictive maintenance and asset management to improve energy efficiency wherever feasible. In doing so, the Secretary shall look to encourage and utilize Internet of Things energy management solutions that have security tightly integrated into the hardware and software from the outset. The Secretary shall also encourage the use of Internet of Things solutions that enable seamless connectivity and that are interoperable, open standards-based, and built on a repeatable foundation for ease of scalability.

CHAPTER 3—ENERGY PERFORMANCE CONTRACTING

SEC. 4131. USE OF ENERGY AND WATER EFFICIENCY MEASURES IN FEDERAL BUILDINGS.

(a) REPORTS.—Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258(b)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(5) the status of each agency's energy savings performance contracts and utility energy service contracts, the investment value of such contracts, the guaranteed energy savings for the previous year as compared to the actual energy savings for the previous year, the plan for entering into such contracts in the coming year, and information explaining why any previously submitted plans for such contracts were not implemented.''.

(b) FEDERAL ENERGY MANAGEMENT DEFINITIONS.—Section 551(4) of the National Energy Conservation Policy Act (42 U.S.C. 8259(4)) is amended by strik-

ing ''or retrofit activities'' and inserting ''retrofit activities, or energy consuming devices and required support structures''.

(c) AUTHORITY TO ENTER INTO CONTRACTS.—Section 801(a)(2)(F) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)(F)) is amended—

(1) in clause (i), by striking ''or'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following new clause:

''(iii) limit the recognition of operation and maintenance savings associated with systems modernized or replaced with the implementation of energy conservation measures, water conservation measures, or any series of energy conservation measures and water conservation measures.''.

(d) MISCELLANEOUS AUTHORITY.—Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

''(H) MISCELLANEOUS AUTHORITY.—Notwithstanding any other provision of law, a Federal agency may sell or transfer energy savings

and apply the proceeds of such sale or transfer to fund a contract under this title.''.

(e) PAYMENT OF COSTS.—Section 802 of the National Energy Conservation Policy Act (42 U.S.C. 8287a) is amended by striking ''(and related operation and maintenance expenses)'' and inserting '', including related operations and maintenance expenses''.

(f) ENERGY SAVINGS PERFORMANCE CONTRACTS DEFINITIONS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended—

(1) in subparagraph (A), by striking ''federally owned building or buildings or other federally owned facilities'' and inserting ''Federal building (as defined in section 551 (42 U.S.C. 8259))'' each place it appears;

(2) in subparagraph (C), by striking ''; and'' and inserting a semicolon;

(3) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new subparagraphs:

''(E) the use, sale, or transfer of energy incentives, rebates, or credits (including renew-

able energy credits) from Federal, State, or local governments or utilities; and

''(F) any revenue generated from a reduction in energy or water use, more efficient waste recycling, or additional energy generated from more efficient equipment.''.

CHAPTER 4—SCHOOL BUILDINGS

SEC. 4141. COORDINATION OF ENERGY RETROFITTING ASSISTANCE FOR SCHOOLS.

Section 392 of the Energy Policy and Conservation Act (42 U.S.C. 6371a) is amended by adding at the end the following:

''(e) COORDINATION OF ENERGY RETROFITTING ASSISTANCE FOR SCHOOLS.—

''(1) DEFINITION OF SCHOOL.—Notwithstanding section 391(6), for the purposes of this subsection, the term 'school' means—

''(A) an elementary school or secondary school (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

''(B) an institution of higher education (as defined in section 102(a) of the Higher Education Act of 1965 (20 U.S.C. 1002(a)));

''(C) a school of the defense dependents' education system under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.) or established under section 2164 of title 10, United States Code;

''(D) a school operated by the Bureau of Indian Affairs;

''(E) a tribally controlled school (as defined in section 5212 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2511)); and

''(F) a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b))).

''(2) ESTABLISHMENT OF CLEARINGHOUSE.—The Secretary, acting through the Office of Energy Efficiency and Renewable Energy, shall establish a clearinghouse to disseminate information regarding available Federal programs and financing mechanisms that may be used to help initiate, develop, and finance energy efficiency, distributed generation, and energy retrofitting projects for schools.

''(3) REQUIREMENTS.—In carrying out paragraph (2), the Secretary shall—

''(A) consult with appropriate Federal agencies to develop a list of Federal programs

and financing mechanisms that are, or may be, used for the purposes described in paragraph (2); and

''(B) coordinate with appropriate Federal agencies to develop a collaborative education and outreach effort to streamline communications and promote available Federal programs and financing mechanisms described in subparagraph (A), which may include the development and maintenance of a single online resource that includes contact information for relevant technical assistance in the Office of Energy Efficiency and Renewable Energy that States, local education agencies, and schools may use to effectively access and use such Federal programs and financing mechanisms.''.

CHAPTER 5—BUILDING ENERGY CODES

SEC. 4151. GREATER ENERGY EFFICIENCY IN BUILDING CODES.

(a) DEFINITIONS.—Section 303 of the Energy Conservation and Production Act (42 U.S.C. 6832), as amended by section 4116, is further amended—

(1) by striking paragraph (14) and inserting the following:

''(14) MODEL BUILDING ENERGY CODE.—The term 'model building energy code' means a voluntary building energy code or standard developed and updated through a consensus process among interested persons, such as the IECC or ASHRAE Standard 90.1 or a code used by other appropriate organizations regarding which the Secretary has issued a determination that buildings subject to it would achieve greater energy efficiency than under a previously developed code.''; and

(2) by adding at the end the following:

''(18) ASHRAE STANDARD 90.1.—The term 'ASHRAE Standard 90.1' means the American Society of Heating, Refrigerating and Air-Conditioning Engineers ANSI/ASHRAE/IES Standard 90/1 Energy Standard for Buildings Except Low-Rise Residential Buildings.

''(19) COST-EFFECTIVE.—The term 'cost-effective' means having a simple payback of 10 years or less.

''(20) IECC.—The term 'IECC' means the International Energy Conservation Code as published by the International Code Council.

''(21) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the

Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

''(22) SIMPLE PAYBACK.—The term 'simple payback' means the time in years that is required for energy savings to exceed the incremental first cost of a new requirement or code.

''(23) TECHNICALLY FEASIBLE.—The term 'technically feasible' means capable of being achieved, based on widely available appliances, equipment, technologies, materials, and construction practices.''.

(b) STATE BUILDING ENERGY EFFICIENCY CODES.—Section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) is amended to read as follows:

''SEC. 304. UPDATING STATE BUILDING ENERGY EFFICIENCY CODES.

''(a) IN GENERAL.—The Secretary shall provide technical assistance, as described in subsection (e), for the purposes of—

''(1) implementation of building energy codes by States, Indian tribes, and, as appropriate, by local governments, that are technically feasible and cost-effective; and

''(2) supporting full compliance with the State, tribal, and local codes.

''(b) STATE AND INDIAN TRIBE CERTIFICATION OF BUILDING ENERGY CODE UPDATES.—

''(1) REVIEW AND UPDATING OF CODES BY EACH STATE AND INDIAN TRIBE.—

''(A) IN GENERAL.—Not later than 3 years after the date on which a model building energy code is published, each State or Indian tribe shall certify whether or not the State or Indian tribe, respectively, has reviewed and updated the energy provisions of the building code of the State or Indian tribe, respectively.

''(B) DEMONSTRATION.—The certification shall include a statement of whether or not the energy savings for the code provisions that are in effect throughout the State or Indian tribal territory meet or exceed—

''(i) the energy savings of the most recently published model building energy code; or

''(ii) the targets established under section 307(b)(2).

''(C) NO MODEL BUILDING ENERGY CODE UPDATE.—If a model building energy code is

not updated by a target date established under section 307(b)(2)(D), each State or Indian tribe shall, not later than 3 years after the specified date, certify whether or not the State or Indian tribe, respectively, has reviewed and updated the energy provisions of the building code of the State or Indian tribe, respectively, to meet or exceed the target in section 307(b)(2).

''(2) VALIDATION BY SECRETARY.—Not later than 90 days after a State or Indian tribe certification under paragraph (1), the Secretary shall—

''(A) determine whether the code provisions of the State or Indian tribe, respectively, meet the criteria specified in paragraph (1);

''(B) determine whether the certification submitted by the State or Indian tribe, respectively, is complete; and

''(C) if the requirements of subparagraph (B) are satisfied, validate the certification.

''(3) LIMITATION.—Nothing in this section shall be interpreted to require a State or Indian tribe to adopt any building code or provision within a code.

''(c) IMPROVEMENTS IN COMPLIANCE WITH BUILDING ENERGY CODES.—

''(1) REQUIREMENT.—

''(A) IN GENERAL.—Not later than 3 years after the date of a certification under subsection (b), each State and Indian tribe shall certify whether or not the State or Indian tribe, respectively, has—

''(i) achieved full compliance under paragraph (3) with the applicable certified State or Indian tribe building energy code or with the associated model building energy code; or

''(ii) made significant progress under paragraph (4) toward achieving compliance with the applicable certified State or Indian tribe building energy code or with the associated model building energy code.

''(B) REPEAT CERTIFICATIONS.—If the State or Indian tribe certifies progress toward achieving compliance, the State or Indian tribe shall repeat the certification until the State or Indian tribe certifies that the State or Indian tribe has achieved full compliance.

''(2) MEASUREMENT OF COMPLIANCE.—A certification under paragraph (1) shall include documentation of the rate of compliance based on—

''(A) inspections of a random sample of the buildings covered by the code in the preceding year; or

''(B) an alternative method that yields an accurate measure of compliance.

''(3) ACHIEVEMENT OF COMPLIANCE.—A State or Indian tribe shall be considered to achieve full compliance under paragraph (1) if—

''(A) at least 90 percent of building space covered by the code in the preceding year substantially meets all the requirements of the applicable code specified in paragraph (1), or achieves equivalent or greater energy savings level; or

''(B) the estimated excess energy use of buildings that did not meet the applicable code specified in paragraph (1) in the preceding year, compared to a baseline of comparable buildings that meet this code, is not more than 5 percent of the estimated energy use of all buildings covered by this code during the preceding year.

''(4) SIGNIFICANT PROGRESS TOWARD ACHIEVEMENT OF COMPLIANCE.—A State or Indian tribe shall be considered to have made significant

progress toward achieving compliance for purposes of paragraph (1) if the State or Indian tribe—

"(A) has developed and is implementing a plan for achieving compliance during the 8-year period beginning on the date of enactment of this paragraph, including annual targets for compliance and active training and enforcement programs; and

"(B) has met the most recent target under subparagraph (A).

"(5) VALIDATION BY SECRETARY.—Not later than 90 days after a State or Indian tribe certification under paragraph (1), the Secretary shall—

"(A) determine whether the State or Indian tribe has demonstrated meeting the criteria of this subsection, including accurate measurement of compliance;

"(B) determine whether the certification submitted by the State or Indian tribe is complete; and

"(C) if the requirements of subparagraph (B) are satisfied, validate the certification.

"(6) LIMITATION.—Nothing in this section shall be interpreted to require a State or Indian

tribe to adopt any building code or provision within a code.

''(d) STATES OR INDIAN TRIBES THAT DO NOT ACHIEVE COMPLIANCE.—

''(1) REPORTING.—A State or Indian tribe that has not made a certification required under subsection (b) or (c) by the applicable deadline shall submit to the Secretary a report on the status of the State or Indian tribe with respect to meeting the requirements and submitting the certification.

''(2) STATE SOVEREIGNTY.—Nothing in this section shall be interpreted to require a State or Indian tribe to adopt any building code or provision within a code.

''(3) LOCAL GOVERNMENT.—In any State or Indian tribe for which the Secretary has not validated a certification under subsection (b) or (c), a local government may be eligible for Federal support by meeting the certification requirements of subsections (b) and (c).

''(4) ANNUAL REPORTS BY SECRETARY.—

''(A) IN GENERAL.—The Secretary shall annually submit to Congress, and publish in the Federal Register, a report on—

"(i) the status of model building energy codes;

"(ii) the status of code adoption and compliance in the States and Indian tribes;

"(iii) implementation of this section; and

"(iv) improvements in energy savings over time as a result of the targets established under section 307(b)(2).

"(B) IMPACTS.—The report shall include estimates of impacts of past action under this section, and potential impacts of further action, on—

"(i) upfront financial and construction costs, cost benefits and returns (using a return on investment analysis), and lifetime energy use for buildings;

"(ii) resulting energy costs to individuals and businesses; and

"(iii) resulting overall annual building ownership and operating costs.

"(e) TECHNICAL ASSISTANCE TO STATES AND INDIAN TRIBES.—

"(1) IN GENERAL.—The Secretary shall, upon request, provide technical assistance to States and

Indian tribes to implement the goals and requirements of this section—

''(A) to implement State residential and commercial building energy codes; and

''(B) to document the rate of compliance with a building energy code.

''(2) TECHNICAL ASSISTANCE.—The assistance shall include, as requested by the State or Indian tribe, technical assistance in—

''(A) evaluating the energy savings of building energy codes;

''(B) assessing the economic considerations, referenced in section 307(b)(4), of implementing building energy codes;

''(C) building energy analysis and design tools;

''(D) energy simulation models;

''(E) building demonstrations;

''(F) developing the definitions of energy use intensity and building types for use in model building energy codes to evaluate the efficiency impacts of the model building energy codes; and

''(G) complying with a performance-based pathway referenced in the model code.

''(3) EXCLUSION.—For purposes of this section, 'technical assistance' shall not include actions that promote or discourage the adoption of a particular building energy code, code provision, or energy savings target to a State or Indian tribe.

''(4) INFORMATION QUALITY AND TRANSPARENCY.—For purposes of this section, information provided by the Secretary, attendant to any technical assistance provided to a State or Indian tribe, is 'influential information' and shall satisfy the guidelines established by the Office of Management and Budget and published at 67 Federal Register 8,452 (Feb. 22, 2002).

''(f) FEDERAL SUPPORT.—

''(1) IN GENERAL.—The Secretary shall provide support to States and Indian tribes—

''(A) to implement the reporting requirements of this section; and

''(B) to implement residential and commercial building energy codes, including increasing and verifying compliance with the codes and training of State, tribal, and local building code officials to implement and enforce the codes.

''(2) EXCLUSION.—Support shall not be given to support adoption and implementation of model

building energy codes for which the Secretary has made a determination under section 307(g)(1)(C) that the code is not cost-effective.

''(3) TRAINING.—Support shall be offered to States to train State and local building code officials to implement and enforce codes described in paragraph (1)(B).

''(4) LOCAL GOVERNMENTS.—States may work under this subsection with local governments that implement and enforce codes described in paragraph (1)(B).

''(g) VOLUNTARY PROGRAMS TO EXCEED MODEL BUILDING ENERGY CODE.—

''(1) IN GENERAL.—The Secretary shall provide technical assistance, as described in subsection (e), for the development of voluntary programs that exceed the model building energy codes for residential and commercial buildings for use as—

''(A) voluntary incentive programs adopted by local, tribal, or State governments; and

''(B) nonbinding guidelines for energy-efficient building design.

''(2) TARGETS.—The voluntary programs described in paragraph (1) shall be designed—

''(A) to achieve substantial energy savings compared to the model building energy codes; and

''(B) to meet targets under section 307(b), if available, up to 3 to 6 years in advance of the target years.

''(h) STUDIES.—

''(1) GAO STUDY.—

''(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the impacts of updating the national model building energy codes for residential and commercial buildings. In conducting the study, the Comptroller General shall consider and report, at a minimum—

''(i) the actual energy consumption savings stemming from updated energy codes compared to the energy consumption savings predicted during code development;

''(ii) the actual consumer cost savings stemming from updated energy codes compared to predicted consumer cost savings; and

''(iii) an accounting of expenditures of the Federal funds under each program authorized by this title.

''(B) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of the North American Energy Security and Infrastructure Act of 2015, the Comptroller General of the United States shall submit a report to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives including the study findings and conclusions.

''(2) FEASIBILITY STUDY.—The Secretary, in consultation with building science experts from the National Laboratories and institutions of higher education, designers and builders of energy-efficient residential and commercial buildings, code officials, and other stakeholders, shall undertake a study of the feasibility, impact, economics, and merit of—

''(A) code improvements that would require that buildings be designed, sited, and constructed in a manner that makes the buildings more adaptable in the future to become zero-net-energy after initial construction, as ad-

vances are achieved in energy-saving technologies;

''(B) code procedures to incorporate a ten-year payback, not just first-year energy use, in trade-offs and performance calculations; and

''(C) legislative options for increasing energy savings from building energy codes, including additional incentives for effective State and local verification of compliance with and enforcement of a code.

''(3) ENERGY DATA IN MULTITENANT BUILDINGS.—The Secretary, in consultation with appropriate representatives of the utility, utility regulatory, building ownership, and other stakeholders, shall—

''(A) undertake a study of best practices regarding delivery of aggregated energy consumption information to owners and managers of residential and commercial buildings with multiple tenants and uses; and

''(B) consider the development of a memorandum of understanding between and among affected stakeholders to reduce barriers to the delivery of aggregated energy consumption information to such owners and managers.

''(i) EFFECT ON OTHER LAWS.—Nothing in this section or section 307 supersedes or modifies the application of sections 321 through 346 of the Energy Policy and Conservation Act (42 U.S.C. 6291 et seq.).

''(j) FUNDING LIMITATIONS.—No Federal funds shall be—

''(1) used to support actions by the Secretary, or States, to promote or discourage the adoption of a particular building energy code, code provision, or energy saving target to a State or Indian tribe; or

''(2) provided to private third parties or non-governmental organizations to engage in such activities.''.

(c) FEDERAL BUILDING ENERGY EFFICIENCY STANDARDS.—Section 305 of the Energy Conservation and Production Act (42 U.S.C. 6834) is amended by striking ''voluntary building energy code'' in subsections (a)(2)(B) and (b) and inserting ''model building energy code''.

(d) MODEL BUILDING ENERGY CODES.—

(1) AMENDMENT.—Section 307 of the Energy Conservation and Production Act (42 U.S.C. 6836) is amended to read as follows:

"SEC. 307. SUPPORT FOR MODEL BUILDING ENERGY CODES.

"(a) IN GENERAL.—The Secretary shall provide technical assistance, as described in subsection (c), for updating of model building energy codes.

"(b) TARGETS.—

"(1) IN GENERAL.—The Secretary shall provide technical assistance, for updating the model building energy codes.

"(2) TARGETS.—

"(A) IN GENERAL.—The Secretary shall provide technical assistance to States, Indian tribes, local governments, nationally recognized code and standards developers, and other interested parties for updating of model building energy codes by establishing one or more aggregate energy savings targets through rulemaking in accordance with section 553 of title 5, United States Code, to achieve the purposes of this section.

"(B) SEPARATE TARGETS.—Separate targets may be established for commercial and residential buildings.

"(C) BASELINES.—The baseline for updating model building energy codes shall be the 2009 IECC for residential buildings and

ASHRAE Standard 90.1–2010 for commercial buildings.

''(D) SPECIFIC YEARS.—

''(i) IN GENERAL.—Targets for specific years shall be established and revised by the Secretary through rulemaking in accordance with section 553 of title 5, United States Code, and coordinated with nationally recognized code and standards developers at a level that—

''(I) is at the maximum level of energy efficiency that is technically feasible and cost effective, while accounting for the economic considerations under paragraph (4); and

''(II) promotes the achievement of commercial and residential high performance buildings through high performance energy efficiency (within the meaning of section 401 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17061)).

''(ii) INITIAL TARGETS.—Not later than 1 year after the date of enactment of

this clause, the Secretary shall establish initial targets under this subparagraph.

''(iii) DIFFERENT TARGET YEARS.—Subject to clause (i), prior to the applicable year, the Secretary may set a later target year for any of the model building energy codes described in subparagraph (A) if the Secretary determines that a target cannot be met.

''(E) SMALL BUSINESS.—When establishing targets under this paragraph through rulemaking, the Secretary shall ensure compliance with the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note; Public Law 104–121) for any indirect economic effect on small entities that is reasonably foreseeable and a result of such rule.

''(3) APPLIANCE STANDARDS AND OTHER FACTORS AFFECTING BUILDING ENERGY USE.—In establishing energy savings targets under paragraph (2), the Secretary shall develop and adjust the targets in recognition of potential savings and costs relating to—

"(A) efficiency gains made in appliances, lighting, windows, insulation, and building envelope sealing;

"(B) advancement of distributed generation and on-site renewable power generation technologies;

"(C) equipment improvements for heating, cooling, and ventilation systems and water heating systems;

"(D) building management systems and smart grid technologies to reduce energy use; and

"(E) other technologies, practices, and building systems regarding building plug load and other energy uses.

In developing and adjusting the targets, the Secretary shall use climate zone weighted averages for equipment efficiency for heating, cooling, ventilation, and water heating systems, using equipment that is actually installed.

"(4) ECONOMIC CONSIDERATIONS.—In establishing and revising energy savings targets under paragraph (2), the Secretary shall consider the economic feasibility of achieving the proposed targets established under this section and the potential costs

and savings for consumers and building owners, by conducting a return on investment analysis, using a simple payback methodology over a 3-, 5-, and 7-year period. The Secretary shall not propose or provide technical or financial assistance for any code, provision in the code, or energy target, or amendment thereto, that has a payback greater than 10 years.

''(c) TECHNICAL ASSISTANCE TO MODEL BUILDING ENERGY CODE-SETTING AND STANDARD DEVELOPMENT ORGANIZATIONS.—

''(1) IN GENERAL.—The Secretary shall, on a timely basis, provide technical assistance to model building energy code-setting and standard development organizations consistent with the goals of this section.

''(2) TECHNICAL ASSISTANCE.—The assistance shall include, as requested by the organizations, technical assistance in—

''(A) evaluating the energy savings of building energy codes;

''(B) assessing the economic considerations, under subsection (b)(4), of code or standards proposals or revisions;

''(C) building energy analysis and design tools;

''(D) energy simulation models;

''(E) building demonstrations;

''(F) developing definitions of energy use intensity and building types for use in model building energy codes to evaluate the efficiency impacts of the model building energy codes;

''(G) developing a performance-based pathway for compliance;

''(H) developing model building energy codes by Indian tribes in accordance with tribal law; and

''(I) code development meetings, including through direct Federal employee participation in committee meetings, hearings and online communication, voting, and presenting research and technical or economic analyses during such meetings.

''(3) EXCLUSION.—Except as provided in paragraph (2)(I), for purposes of this section, 'technical assistance' shall not include actions that promote or discourage the adoption of a particular building energy code, code provision, or energy savings target.

''(4) INFORMATION QUALITY AND TRANSPARENCY.—For purposes of this section, information provided by the Secretary, attendant to development of any energy savings targets, is influential information and shall satisfy the guidelines established by the Office of Management and Budget and published at 67 Federal Register 8,452 (Feb. 22, 2002).

''(d) AMENDMENT PROPOSALS.—

''(1) IN GENERAL.—The Secretary may submit timely model building energy code amendment proposals that are technically feasible, cost-effective, and technology-neutral to the model building energy code-setting and standard development organizations, with supporting evidence, sufficient to enable the model building energy codes to meet the targets established under subsection (b)(2).

''(2) PROCESS AND FACTORS.—All amendment proposals submitted by the Secretary shall be published in the Federal Register and made available on the Department of Energy website 90 days prior to any submittal to a code development body, and shall be subject to a public comment period of not less than 60 days. Information provided by the Secretary, attendant to submission of any amendment proposals, is influential information and shall satisfy

the guidelines established by the Office of Management and Budget and published at 67 Federal Register 8,452 (Feb. 22, 2002). When calculating the costs and benefits of an amendment, the Secretary shall use climate zone weighted averages for equipment efficiency for heating, cooling, ventilation, and water heating systems, using equipment that is actually installed.

''(e) ANALYSIS METHODOLOGY.—The Secretary shall make publicly available the entire calculation methodology (including input assumptions and data) used by the Secretary to estimate the energy savings of code or standard proposals and revisions.

''(f) METHODOLOGY DEVELOPMENT.—The Secretary shall establish a methodology for evaluating cost effectiveness of energy code changes in multifamily buildings that incorporates economic parameters representative of typical multifamily buildings.

''(g) DETERMINATION.—

''(1) REVISION OF MODEL BUILDING ENERGY CODES.—If the provisions of the IECC or ASHRAE Standard 90.1 regarding building energy use are revised, the Secretary shall make a preliminary determination not later than 90 days after the date of the revision, and a final determination not later than 15

months after the date of the revision, on whether or not the revision—

"(A) improves energy efficiency in buildings compared to the existing IECC or ASHRAE Standard 90.1, as applicable;

"(B) meets the applicable targets under subsection (b)(2); and

"(C) is technically feasible and cost-effective.

"(2) CODES OR STANDARDS NOT MEETING CRITERIA.—

"(A) IN GENERAL.—If the Secretary makes a preliminary determination under paragraph (1)(B) that a revised IECC or ASHRAE Standard 90.1 does not meet the targets established under subsection (b)(2), is not technically feasible, or is not cost-effective, the Secretary may at the same time provide technical assistance, as described in subsection (c), to the International Code Council or ASHRAE, as applicable, with proposed changes that would result in a model building energy code or standard that meets the criteria, and with supporting evidence. Proposed changes submitted by the Secretary shall be published in the Federal

Register and made available on the Department of Energy website 90 days prior to any submittal to a code development body, and shall be subject to a public comment period of not less than 60 days. Information provided by the Secretary, attendant to submission of any amendment proposals, is influential information and shall satisfy the guidelines established by the Office of Management and Budget and published at 67 Federal Register 8,452 (Feb. 22, 2002).

''(B) INCORPORATION OF CHANGES.—

''(i) IN GENERAL.—On receipt of the technical assistance, as described in subsection (c), the International Code Council or ASHRAE, as applicable, shall, prior to the Secretary making a final determination under paragraph (1), have an additional 270 days to accept or reject the proposed changes made by the Secretary to the model building energy code or standard.

''(ii) FINAL DETERMINATION.—A final determination under paragraph (1) shall be on the final revised model building energy code or standard.

''(h) ADMINISTRATION.—In carrying out this section, the Secretary shall—

''(1) publish notice of targets, amendment proposals and supporting analysis and determinations under this section in the Federal Register to provide an explanation of and the basis for such actions, including any supporting modeling, data, assumptions, protocols, and cost-benefit analysis, including return on investment;

''(2) provide an opportunity for public comment on targets and supporting analysis and determinations under this section, in accordance with section 553 of title 5, United States Code; and

''(3) provide an opportunity for public comment on amendment proposals.

''(i) VOLUNTARY CODES AND STANDARDS.—Not withstanding any other provision of this section, any model building code or standard established under this section shall not be binding on a State, local government, or Indian tribe as a matter of Federal law.''.

(2) CONFORMING AMENDMENT.—The item relating to section 307 in the table of contents for the Energy Conservation and Production Act is amended to read as follows:

''Sec. 307. Support for model building energy codes.''.

SEC. 4152. VOLUNTARY NATURE OF BUILDING ASSET RATING PROGRAM.

(a) IN GENERAL.—Any program of the Secretary of Energy that may enable the owner of a commercial building or a residential building to obtain a rating, score, or label regarding the actual or anticipated energy usage or performance of a building shall be made available on a voluntary, optional, and market-driven basis.

(b) DISCLAIMER AS TO REGULATORY INTENT.—Information disseminated by the Secretary of Energy regarding the program described in subsection (a), including any information made available by the Secretary on a website, shall include language plainly stating that such program is not developed or intended to be the basis for a regulatory program by a Federal, State, local, or municipal government body.

CHAPTER 6—EPCA TECHNICAL CORRECTIONS AND CLARIFICATIONS

SEC. 4161. MODIFYING PRODUCT DEFINITIONS.

(a) AUTHORITY TO MODIFY DEFINITIONS.—

(1) COVERED PRODUCTS.—Section 322 of the Energy Policy and Conservation Act (42 U.S.C. 6292) is amended by adding at the end the following:

''(c) MODIFYING DEFINITIONS OF COVERED PRODUCTS.—

''(1) IN GENERAL.—For any covered product for which a definition is provided in section 321, the Secretary may, by rule, unless prohibited herein, modify such definition in order to—

''(A) address significant changes in the product or the market occurring since the definition was established; and

''(B) better enable improvements in the energy efficiency of the product as part of an energy using system.

''(2) ANTIBACKSLIDING EXEMPTION.—Section 325(o)(1) shall not apply to adjustments to covered product definitions made pursuant to this subsection.

''(3) PROCEDURE FOR MODIFYING DEFINITION.—

''(A) IN GENERAL.—Notice of any adjustment to the definition of a covered product and an explanation of the reasons therefor shall be published in the Federal Register and opportunity provided for public comment.

''(B) CONSENSUS REQUIRED.—Any amendment to the definition of a covered product under this subsection must have consensus support, as reflected in—

''(i) the outcome of negotiations conducted in accordance with the subchapter III of chapter 5 of title 5, United States Code (commonly known as the 'Negotiated Rulemaking Act of 1990'); or

''(ii) the Secretary's receipt of a statement that is submitted jointly by interested persons that are fairly representative of relevant points of view (including representatives of manufacturers of covered products, States, and efficiency advocates), as determined by the Secretary, which contains a recommended modified definition for a covered product.

''(4) EFFECT OF A MODIFIED DEFINITION.—

''(A) IN GENERAL.—For any type or class of consumer product which becomes a covered product pursuant to this subsection—

''(i) the Secretary may establish test procedures for such type or class of covered product pursuant to section 323 and energy conservation standards pursuant to section 325(l);

''(ii) the Commission may prescribe labeling rules pursuant to section 324 if

the Commission determines that labeling in accordance with that section is technologically and economically feasible and likely to assist consumers in making purchasing decisions;

''(iii) section 327 shall begin to apply to such type or class of covered product in accordance with section 325(ii)(1); and

''(iv) standards previously promulgated under section 325 shall not apply to such type or class of product.

''(B) APPLICABILITY.—For any type or class of consumer product which ceases to be a covered product pursuant to this subsection, the provisions of this part shall no longer apply to the type or class of consumer product.''.

(2) COVERED EQUIPMENT.—Section 341 of the Energy Policy and Conservation Act (42 U.S.C. 6312) is amended by adding at the end the following:

''(d) MODIFYING DEFINITIONS OF COVERED EQUIPMENT.—

''(1) IN GENERAL.—For any covered equipment for which a definition is provided in section 340, the

Secretary may, by rule, unless prohibited herein, modify such definition in order to—

''(A) address significant changes in the product or the market occurring since the definition was established; and

''(B) better enable improvements in the energy efficiency of the equipment as part of an energy using system.

''(2) ANTIBACKSLIDING EXEMPTION.—Section 325(o)(1) shall not apply to adjustments to covered equipment definitions made pursuant to this subsection.

''(3) PROCEDURE FOR MODIFYING DEFINITION.—

''(A) IN GENERAL.—Notice of any adjustment to the definition of a type of covered equipment and an explanation of the reasons therefor shall be published in the Federal Register and opportunity provided for public comment.

''(B) CONSENSUS REQUIRED.—Any amendment to the definition of a type of covered equipment under this subsection must have consensus support, as reflected in—

''(i) the outcome of negotiations conducted in accordance with the subchapter III of chapter 5 of title 5, United States Code (commonly known as the 'Negotiated Rulemaking Act of 1990'); or

''(ii) the Secretary's receipt of a statement that is submitted jointly by interested persons that are fairly representative of relevant points of view (including representatives of manufacturers of covered equipment, States, and efficiency advocates), as determined by the Secretary, which contains a recommended modified definition for a type of covered equipment.

''(4) EFFECT OF A MODIFIED DEFINITION.—

''(A) For any type or class of equipment which becomes covered equipment pursuant to this subsection—

''(i) the Secretary may establish test procedures for such type or class of covered equipment pursuant to section 343 and energy conservation standards pursuant to section 325(l);

''(ii) the Secretary may prescribe labeling rules pursuant to section 344 if the

Secretary determines that labeling in accordance with that section is technologically and economically feasible and likely to assist purchasers in making purchasing decisions;

''(iii) section 327 shall begin to apply to such type or class of covered equipment in accordance with section 325(ii)(1); and

''(iv) standards previously promulgated under section 325, 342, or 346 shall not apply to such type or class of covered equipment.

''(B) For any type or class of equipment which ceases to be covered equipment pursuant to this subsection the provisions of this part shall no longer apply to the type or class of equipment.''.

(b) CONFORMING AMENDMENTS PROVIDING FOR JUDICIAL REVIEW.—

(1) Section 336 of the Energy Policy and Conservation Act (42 U.S.C. 6306) is amended by striking ''section 323,'' each place it appears and inserting ''section 322, 323,''; and

(2) Section 345(a)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6316(a)(1)) is amended to read as follows:

''(1) the references to sections 322, 323, 324, and 325 of this Act shall be considered as references to sections 341, 343, 344, and 342 of this Act, respectively;''.

SEC. 4162. CLARIFYING RULEMAKING PROCEDURES.

(a) COVERED PRODUCTS.—Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6295(p)) is amended—

(1) by redesignating paragraphs (1), (2), (3), and (4) as paragraphs (2), (3), (5), and (6), respectively;

(2) by inserting before paragraph (2) (as so redesignated by paragraph (1) of this subsection) the following:

''(1) The Secretary shall provide an opportunity for public input prior to the issuance of a proposed rule, seeking information—

''(A) identifying and commenting on design options;

''(B) on the existence of and opportunities for voluntary nonregulatory actions; and

''(C) identifying significant subgroups of consumers and manufacturers that merit analysis.'';

(3) in paragraph (3) (as so redesignated by paragraph (1) of this subsection)—

(A) in subparagraph (C), by striking ''and'' after ''adequate;'';

(B) in subparagraph (D), by striking ''standard.'' and inserting ''standard;''; and

(C) by adding at the end the following new subparagraphs:

''(E) whether the technical and economic analytical assumptions, methods, and models used to justify the standard to be prescribed are—

''(i) justified; and

''(ii) available and accessible for public review, analysis, and use; and

''(F) the cumulative regulatory impacts on the manufacturers of the product, taking into account—

''(i) other government standards affecting energy use; and

''(ii) other energy conservation standards affecting the same manufacturers.''; and

(4) by inserting after paragraph (3) (as so redesignated by paragraph (1) of this subsection) the following:

''(4) RESTRICTION ON TEST PROCEDURE AMENDMENTS.—

''(A) IN GENERAL.—Any proposed energy conservation standards rule shall be based on the final test procedure which shall be used to determine compliance, and the public comment period on the proposed standards shall conclude no sooner than 180 days after the date of publication of a final rule revising the test procedure.

''(B) EXCEPTION.—The Secretary may propose or prescribe an amendment to the test procedures issued pursuant to section 323 for any type or class of covered product after the issuance of a notice of proposed rulemaking to prescribe an amended or new energy conservation standard for that type or class of covered product, but before the issuance of a final rule prescribing any such standard, if—

''(i) the amendments to the test procedure have consensus support achieved through a rulemaking conducted in accordance with the subchapter III of chapter 5 of title 5, United States Code (commonly known as the 'Negotiated Rulemaking Act of 1990'); or

''(ii) the Secretary receives a statement that is submitted jointly by interested persons that are fairly representative of relevant points of view (including representatives of manufacturers of the type or class of covered product, States, and efficiency advocates), as determined by the Secretary, which contains a recommendation that a supplemental notice of proposed rulemaking is not necessary for the type or class of covered product.''.

(b) CONFORMING AMENDMENT.—Section 345(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6316(b)(1)) is amended by striking ''section 325(p)(4),'' and inserting ''section 325(p)(3), (4), and (6),''.

CHAPTER 7—ENERGY AND WATER EFFICIENCY

SEC. 4171. SMART ENERGY AND WATER EFFICIENCY PILOT PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) a utility;

(B) a municipality;

(C) a water district; and

(D) any other authority that provides water, wastewater, or water reuse services.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(3) SMART ENERGY AND WATER EFFICIENCY PILOT PROGRAM.—The term ''smart energy and water efficiency pilot program'' or ''pilot program'' means the pilot program established under subsection (b).

(b) SMART ENERGY AND WATER EFFICIENCY PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish and carry out a smart energy and water efficiency management pilot program in accordance with this section.

(2) PURPOSE.—The purpose of the smart energy and water efficiency pilot program is to award grants to eligible entities to demonstrate advanced and innovative technology-based solutions that will—

(A) increase and improve the energy efficiency of water, wastewater, and water reuse systems to help communities across the United States make significant progress in conserving water, saving energy, and reducing costs;

(B) support the implementation of innovative processes and the installation of advanced automated systems that provide real-time data on energy and water; and

(C) improve energy and water conservation, water quality, and predictive maintenance of energy and water systems, through the use of Internet-connected technologies, including sensors, intelligent gateways, and security embedded in hardware.

(3) PROJECT SELECTION.—

(A) IN GENERAL.—The Secretary shall make competitive, merit-reviewed grants under the pilot program to not less than 3, but not more than 5, eligible entities.

(B) SELECTION CRITERIA.—In selecting an eligible entity to receive a grant under the pilot program, the Secretary shall consider—

(i) energy and cost savings anticipated to result from the project;

(ii) the innovative nature, commercial viability, and reliability of the technology to be used;

(iii) the degree to which the project integrates next-generation sensors, software, hardware, analytics, and management tools;

(iv) the anticipated cost effectiveness of the pilot project in terms of energy efficiency savings, water savings or reuse, and infrastructure costs averted;

(v) whether the technology can be deployed in a variety of geographic regions and the degree to which the technology can be implemented on a smaller or larger scale, including whether the technology can be implemented by each type of eligible entity;

(vi) whether the technology has been successfully deployed elsewhere;

(vii) whether the technology is sourced from a manufacturer based in the United States; and

(viii) whether the project will be completed in 5 years or less.

(C) APPLICATIONS.—

(i) IN GENERAL.—Subject to clause (ii), an eligible entity seeking a grant under the pilot program shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary determines to be necessary.

(ii) CONTENTS.—An application under clause (i) shall, at a minimum, include—

(I) a description of the project;

(II) a description of the technology to be used in the project;

(III) the anticipated results, including energy and water savings, of the project;

(IV) a comprehensive budget for the project;

(V) the names of the project lead organization and any partners;

(VI) the number of users to be served by the project; and

(VII) any other information that the Secretary determines to be necessary to complete the review and selection of a grant recipient.

(4) ADMINISTRATION.—

(A) IN GENERAL.—Not later than 300 days after the date of enactment of this Act, the Secretary shall select grant recipients under this section.

(B) EVALUATIONS.—The Secretary shall annually carry out an evaluation of each project for which a grant is provided under this section that—

(i) evaluates the progress and impact of the project; and

(ii) assesses the degree to which the project is meeting the goals of the pilot program.

(C) TECHNICAL AND POLICY ASSISTANCE.—On the request of a grant recipient, the Secretary shall provide technical and policy assistance to the grant recipient to carry out the project.

(D) BEST PRACTICES.—The Secretary shall make available to the public—

(i) a copy of each evaluation carried out under subparagraph (B); and

(ii) a description of any best practices identified by the Secretary as a result of those evaluations.

(E) REPORT TO CONGRESS.—The Secretary shall submit to Congress a report containing the results of each evaluation carried out under subparagraph (B).

(c) FUNDING.—

(1) IN GENERAL.—To carry out this section, the Secretary shall use not more than $15,000,000 of amounts made available to the Secretary.

(2) PRIORITIZATION.—In funding activities under this section, the Secretary shall prioritize funding in the following manner:

(A) The Secretary shall first use any unobligated amounts made available to the Secretary to carry out the activities of the Energy Efficiency and Renewable Energy Office.

(B) After any amounts described in subparagraph (A) have been used, the Secretary shall then use any unobligated amounts (other

than those described in subparagraph (A)) made available to the Secretary.

SEC. 4172. WATERSENSE.

(a) IN GENERAL.—The Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) is amended by adding after section 324A the following:

"SEC. 324B. WATERSENSE.

''(a) WATERSENSE.—

''(1) IN GENERAL.—There is established within the Environmental Protection Agency a voluntary program, to be entitled 'WaterSense', to identify water efficient products, buildings, landscapes, facilities, processes, and services that sensibly—

''(A) reduce water use;

''(B) reduce the strain on public and community water systems and wastewater and stormwater infrastructure;

''(C) conserve energy used to pump, heat, transport, and treat water; and

''(D) preserve water resources for future generations, through voluntary labeling of, or other forms of communications about, products, buildings, landscapes, facilities, processes, and services while still meeting strict performance criteria.

''(2) DUTIES.—The Administrator, coordinating as appropriate with the Secretary of Energy, shall—

''(A) establish—

''(i) a WaterSense label to be used for items meeting the certification criteria established in this section; and

''(ii) the procedure, including the methods and means, by which an item may be certified to display the WaterSense label;

''(B) conduct a public awareness education campaign regarding the WaterSense label;

''(C) preserve the integrity of the WaterSense label by—

''(i) establishing and maintaining feasible performance criteria so that products, buildings, landscapes, facilities, processes, and services labeled with the WaterSense label perform as well or better than less water-efficient counterparts;

''(ii) overseeing WaterSense certifications made by third parties;

''(iii) using testing protocols, from the appropriate, applicable, and relevant con-

sensus standards, for the purpose of determining standards compliance; and

''(iv) auditing the use of the WaterSense label in the marketplace and preventing cases of misuse; and

''(D) not more often than every six years, review and, if appropriate, update WaterSense criteria for the defined categories of water-efficient product, building, landscape, process, or service, including—

''(i) providing reasonable notice to interested parties and the public of any such changes, including effective dates, and an explanation of the changes;

''(ii) soliciting comments from interested parties and the public prior to any such changes;

''(iii) as appropriate, responding to comments submitted by interested parties and the public; and

''(iv) providing an appropriate transition time prior to the applicable effective date of any such changes, taking into account the timing necessary for the manufacture, marketing, training, and distribu-

tion of the specific water-efficient product, building, landscape, process, or service category being addressed.

''(b) USE OF SCIENCE.—In carrying out this section, and, to the degree that an agency action is based on science, the Administrator shall use—

''(1) the best available peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices; and

''(2) data collected by accepted methods or best available methods (if the reliability of the method and the nature of the decision justify use of the data).

''(c) DISTINCTION OF AUTHORITIES.—In setting or maintaining standards for Energy Star pursuant to section 324A, and WaterSense under this section, the Secretary and Administrator shall coordinate to prevent duplicative or conflicting requirements among the respective programs.

''(d) DEFINITIONS.—In this section:

''(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Environmental Protection Agency.

''(2) FEASIBLE.—The term 'feasible' means feasible with the use of the best technology, treat-

ment techniques, and other means that the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available (taking cost into consideration).

''(3) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

''(4) WATER-EFFICIENT PRODUCT, BUILDING, LANDSCAPE, PROCESS, OR SERVICE.—The term 'water-efficient product, building, landscape, process, or service' means a product, building, landscape, process, or service for a residence or a commercial or institutional building, or its landscape, that is rated for water efficiency and performance, the covered categories of which are—

''(A) irrigation technologies and services;

''(B) point-of-use water treatment devices;

''(C) plumbing products;

''(D) reuse and recycling technologies;

''(E) landscaping and gardening products, including moisture control or water enhancing technologies;

''(F) xeriscaping and other landscape conversions that reduce water use; and

''(G) new water efficient homes certified under the WaterSense program.''.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Policy and Conservation Act (Public Law 94–163; 42 U.S.C. 6201 et seq.) is amended by inserting after the item relating to section 324A the following new item:

''Sec. 324B. WaterSense.''.

Subtitle B—Accountability

CHAPTER 1—MARKET MANIPULATION, ENFORCEMENT, AND COMPLIANCE

SEC. 4211. FERC OFFICE OF COMPLIANCE ASSISTANCE AND PUBLIC PARTICIPATION.

Section 319 of the Federal Power Act (16 U.S.C. 825q–1) is amended to read as follows:

''SEC. 319. OFFICE OF COMPLIANCE ASSISTANCE AND PUBLIC PARTICIPATION.

''(a) ESTABLISHMENT.—There is established within the Commission an Office of Compliance Assistance and Public Participation (referred to in this section as the 'Office'). The Office shall be headed by a Director.

''(b) DUTIES OF DIRECTOR.—

''(1) IN GENERAL.—The Director of the Office shall promote improved compliance with Commission rules and orders by—

''(A) making recommendations to the Commission regarding—

''(i) the protection of consumers;

''(ii) market integrity and support for the development of responsible market behavior;

''(iii) the application of Commission rules and orders in a manner that ensures that—

''(I) rates and charges for, or in connection with, the transmission or sale of electric energy subject to the jurisdiction of the Commission shall be just and reasonable and not unduly discriminatory or preferential; and

''(II) markets for such transmission and sale of electric energy are not impaired and consumers are not damaged; and

''(iv) the impact of existing and proposed Commission rules and orders on small entities, as defined in section 601 of title 5, United States Code (commonly known as the Regulatory Flexibility Act);

''(B) providing entities subject to regulation by the Commission the opportunity to obtain timely guidance for compliance with Commission rules and orders; and

''(C) providing information to the Commission and Congress to inform policy with respect to energy issues under the jurisdiction of the Commission.

''(2) REPORTS AND GUIDANCE.—The Director shall, as the Director determines appropriate, issue reports and guidance to the Commission and to entities subject to regulation by the Commission, regarding market practices, proposing improvements in Commission monitoring of market practices, and addressing potential improvements to both industry and Commission practices.

''(3) OUTREACH.—The Director shall promote improved compliance with Commission rules and orders through outreach, publications, and, where appropriate, direct communication with entities regulated by the Commission.''.

CHAPTER 2—MARKET REFORMS

SEC. 4221. GAO STUDY ON WHOLESALE ELECTRICITY MARKETS.

(a) STUDY AND REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the results of a study of whether and how the current market rules, practices, and structures of each regional transmission entity produce rates that are just and reasonable by—

(1) facilitating fuel diversity, the availability of generation resources during emergency and severe weather conditions, resource adequacy, and reliability, including the cost-effective retention and development of needed generation;

(2) promoting the equitable treatment of business models, including different utility types, the integration of diverse generation resources, and advanced grid technologies;

(3) identifying and addressing regulatory barriers to entry, market-distorting incentives, and artificial constraints on competition;

(4) providing transparency regarding dispatch decisions, including the need for out-of-market actions and payments, and the accuracy of day-ahead unit commitments;

(5) facilitating the development of necessary natural gas pipeline and electric transmission infrastructure;

(6) ensuring fairness and transparency in governance structures and stakeholder processes, including meaningful participation by both voting and nonvoting stakeholder representatives;

(7) ensuring the proper alignment of the energy and transmission markets by including both energy and financial transmission rights in the day-ahead markets;

(8) facilitating the ability of load-serving entities to self-supply their service territory load;

(9) considering, as appropriate, State and local resource planning; and

(10) mitigating, to the extent practicable, the disruptive effects of tariff revisions on the economic decisionmaking of market participants.

(b) DEFINITIONS.—In this section:

(1) LOAD-SERVING ENTITY.—The term ''load-serving entity'' has the meaning given that term in

section 217 of the Federal Power Act (16 U.S.C. 824q).

(2) REGIONAL TRANSMISSION ENTITY.—The term ''regional transmission entity'' means a Regional Transmission Organization or an Independent System Operator, as such terms are defined in section 3 of the Federal Power Act (16 U.S.C. 796).

SEC. 4222. CLARIFICATION OF FACILITY MERGER AUTHORIZATION.

Section 203(a)(1)(B) of the Federal Power Act (16 U.S.C. 824b(a)(1)(B)) is amended by striking ''such facilities or any part thereof'' and inserting ''such facilities, or any part thereof, of a value in excess of $10,000,000''.

CHAPTER 3—CODE MAINTENANCE

SEC. 4231. REPEAL OF OFF-HIGHWAY MOTOR VEHICLES STUDY.

(a) REPEAL.—Part I of title III of the Energy Policy and Conservation Act (42 U.S.C. 6373) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Policy and Conservation Act (Public Law 94–163; 89 Stat. 871) is amended—

(1) by striking the item relating to part I of title III; and

(2) by striking the item relating to section 385.

SEC. 4232. REPEAL OF METHANOL STUDY.

Section 400EE of the Energy Policy and Conservation Act (42 U.S.C. 6374d) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

SEC. 4233. REPEAL OF RESIDENTIAL ENERGY EFFICIENCY STANDARDS STUDY.

(a) REPEAL.—Section 253 of the National Energy Conservation Policy Act (42 U.S.C. 8232) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act (Public Law 95–619; 92 Stat. 3206) is amended by striking the item relating to section 253.

SEC. 4234. REPEAL OF WEATHERIZATION STUDY.

(a) REPEAL.—Section 254 of the National Energy Conservation Policy Act (42 U.S.C. 8233) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act (Public Law 95–619; 92 Stat. 3206) is amended by striking the item relating to section 254.

SEC. 4235. REPEAL OF REPORT TO CONGRESS.

(a) REPEAL.—Section 273 of the National Energy Conservation Policy Act (42 U.S.C. 8236b) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act

(Public Law 95–619; 92 Stat. 3206) is amended by striking the item relating to section 273.

SEC. 4236. REPEAL OF REPORT BY GENERAL SERVICES ADMINISTRATION.

(a) REPEAL.—Section 154 of the Energy Policy Act of 1992 (42 U.S.C. 8262a) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Energy Policy Act of 1992 (Public Law 102–486; 106 Stat. 2776) is amended by striking the item relating to section 154.

(2) Section 159 of the Energy Policy Act of 1992 (42 U.S.C. 8262e) is amended by striking subsection (c).

SEC. 4237. REPEAL OF INTERGOVERNMENTAL ENERGY MANAGEMENT PLANNING AND COORDINATION WORKSHOPS.

(a) REPEAL.—Section 156 of the Energy Policy Act of 1992 (42 U.S.C. 8262b) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Policy Act of 1992 (Public Law 102–486; 106 Stat. 2776) is amended by striking the item relating to section 156.

SEC. 4238. REPEAL OF INSPECTOR GENERAL AUDIT SURVEY AND PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY REPORT TO CONGRESS.

(a) REPEAL.—Section 160 of the Energy Policy Act of 1992 (42 U.S.C. 8262f) is amended by striking the section designation and heading and all that follows through ''(c) INSPECTOR GENERAL REVIEW.—Each Inspector General'' and inserting the following:

''SEC. 160. INSPECTOR GENERAL REVIEW.

''Each Inspector General''.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Policy Act of 1992 (Public Law 102–486; 106 Stat. 2776) is amended by striking the item relating to section 160 and inserting the following:

''Sec. 160. Inspector General review.''.

SEC. 4239. REPEAL OF PROCUREMENT AND IDENTIFICATION OF ENERGY EFFICIENT PRODUCTS PROGRAM.

(a) REPEAL.—Section 161 of the Energy Policy Act of 1992 (42 U.S.C. 8262g) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Policy Act of 1992 (Public Law 102–486; 106 Stat. 2776) is amended by striking the item relating to section 161.

SEC. 4240. REPEAL OF NATIONAL ACTION PLAN FOR DEMAND RESPONSE.

(a) REPEAL.—Part 5 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8279) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the National Energy Conservation Policy Act (Public Law 95–619; 92 Stat. 3206; 121 Stat. 1665) is amended—

(1) by striking the item relating to part 5 of title V; and

(2) by striking the item relating to section 571.

SEC. 4241. REPEAL OF NATIONAL COAL POLICY STUDY.

(a) REPEAL.—Section 741 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8451) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 741.

SEC. 4242. REPEAL OF STUDY ON COMPLIANCE PROBLEM OF SMALL ELECTRIC UTILITY SYSTEMS.

(a) REPEAL.—Section 744 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8454) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 744.

SEC. 4243. REPEAL OF STUDY OF SOCIOECONOMIC IMPACTS OF INCREASED COAL PRODUCTION AND OTHER ENERGY DEVELOPMENT.

(a) REPEAL.—Section 746 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8456) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 746.

SEC. 4244. REPEAL OF STUDY OF THE USE OF PETROLEUM AND NATURAL GAS IN COMBUSTORS.

(a) REPEAL.—Section 747 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8457) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 747.

SEC. 4245. REPEAL OF SUBMISSION OF REPORTS.

(a) REPEAL.—Section 807 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8483) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 807.

SEC. 4246. REPEAL OF ELECTRIC UTILITY CONSERVATION PLAN.

(a) REPEAL.—Section 808 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8484) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) TABLE OF CONTENTS.—The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 808.

(2) REPORT ON IMPLEMENTATION.—Section 712 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8422) is amended—

(A) by striking ''(a) GENERALLY.—''; and

(B) by striking subsection (b).

SEC. 4247. TECHNICAL AMENDMENT TO POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978.

The table of contents for the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620; 92 Stat. 3289) is amended by striking the item relating to section 742.

SEC. 4248. EMERGENCY ENERGY CONSERVATION REPEALS.

(a) REPEALS.—

(1) Section 201 of the Emergency Energy Conservation Act of 1979 (42 U.S.C. 8501) is amended—

(A) in the section heading, by striking ''**FINDINGS AND**'';

(B) by striking subsection (a); and

(C) by striking ''(b) PURPOSES.—''.

(2) Section 221 of the Emergency Energy Conservation Act of 1979 (42 U.S.C. 8521) is repealed.

(3) Section 222 of the Emergency Energy Conservation Act of 1979 (42 U.S.C. 8522) is repealed.

(4) Section 241 of the Emergency Energy Conservation Act of 1979 (42 U.S.C. 8531) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Emergency Energy Conservation Act of 1979 (Public Law 96–102; 93 Stat. 749) is amended—

(1) by striking the item relating to section 201 and inserting the following:

"Sec. 201. Purposes."; and

(2) by striking the items relating to sections 221, 222, and 241.

SEC. 4249. REPEAL OF STATE UTILITY REGULATORY ASSISTANCE.

(a) REPEAL.—Section 207 of the Energy Conservation and Production Act (42 U.S.C. 6807) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Conservation and Production Act (Public Law 94–385; 90 Stat. 1125) is amended by striking the item relating to section 207.

SEC. 4250. REPEAL OF SURVEY OF ENERGY SAVING POTENTIAL.

(a) REPEAL.—Section 550 of the National Energy Conservation Policy Act (42 U.S.C. 8258b) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the National Energy Conservation Policy Act (Public Law 95–619; 92 Stat. 3206; 106 Stat. 2851) is amended by striking the item relating to section 550.

(2) Section 543(d)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8253(d)(2)) is amended by striking ", incorporating any relevant

information obtained from the survey conducted pursuant to section 550''.

SEC. 4251. REPEAL OF PHOTOVOLTAIC ENERGY PROGRAM.

(a) REPEAL.—Part 4 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8271 et seq.) is repealed.

(b) CONFORMING AMENDMENTS.—The table of contents for the National Energy Conservation Policy Act (Public Law 95–619; 92 Stat. 3206) is amended—

(1) by striking the item relating to part 4 of title V; and

(2) by striking the items relating to sections 561 through 570.

SEC. 4252. REPEAL OF ENERGY AUDITOR TRAINING AND CERTIFICATION.

(a) REPEAL.—Subtitle F of title V of the Energy Security Act (42 U.S.C. 8285 et seq.) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for the Energy Security Act (Public Law 96–294; 94 Stat. 611) is amended by striking the items relating to subtitle F of title V.

CHAPTER 4—USE OF EXISTING FUNDS

SEC. 4261. USE OF EXISTING FUNDS.

Amounts required for carrying out this Act, other than section 1201, shall be derived from amounts appro-

priated under authority provided by previously enacted law.

TITLE V—NATIONAL ENERGY SECURITY CORRIDORS

SEC. 5001. SHORT TITLE.

This title may be cited as the ''National Energy Security Corridors Act''.

SEC. 5002. DESIGNATION OF NATIONAL ENERGY SECURITY CORRIDORS ON FEDERAL LANDS.

(a) IN GENERAL.—Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended as follows:

(1) In subsection (b)—

(A) by striking ''(b)(1) For the purposes of this section 'Federal lands' means'' and inserting the following:

''(b)(1) For the purposes of this section 'Federal lands'—

''(A) except as provided in subparagraph (B), means'';

(B) by striking the period at the end of paragraph (1) and inserting ''; and'' and by adding at the end of paragraph (1) the following:

''(B) for purposes of granting an application for a natural gas pipeline right-of-way, means all lands owned by the United States except—

''(i) such lands held in trust for an Indian or Indian tribe; and

''(ii) lands on the Outer Continental Shelf.''.

(2) By redesignating subsection (b), as so amended, as subsection (z), and transferring such subsection to appear after subsection (y) of that section.

(3) By inserting after subsection (a) the following:

''(b) NATIONAL ENERGY SECURITY CORRIDORS.—

''(1) DESIGNATION.—In addition to other authorities under this section, the Secretary shall—

''(A) identify and designate suitable Federal lands as National Energy Security Corridors (in this subsection referred to as a 'Corridor'), which shall be used for construction, operation, and maintenance of natural gas transmission facilities; and

''(B) incorporate such Corridors upon designation into the relevant agency land use and resource management plans or equivalent plans.

''(2) CONSIDERATIONS.—In evaluating Federal lands for designation as a National Energy Security Corridor, the Secretary shall—

''(A) employ the principle of multiple use to ensure route decisions balance national energy security needs with existing land use principles;

''(B) seek input from other Federal counterparts, State, local, and tribal governments, and affected utility and pipeline industries to determine the best suitable, most cost-effective, and commercially viable acreage for natural gas transmission facilities;

''(C) focus on transmission routes that improve domestic energy security through increasing reliability, relieving congestion, reducing natural gas prices, and meeting growing demand for natural gas; and

''(D) take into account technological innovations that reduce the need for surface disturbance.

''(3) PROCEDURES.—The Secretary shall establish procedures to expedite and approve applications for rights-of-way for natural gas pipelines across National Energy Security Corridors, that—

''(A) ensure a transparent process for review of applications for rights-of-way on such corridors;

''(B) require an approval time of not more than 1 year after the date of receipt of an application for a right-of-way; and

''(C) require, upon receipt of such an application, notice to the applicant of a predictable timeline for consideration of the application, that clearly delineates important milestones in the process of such consideration.

''(4) STATE INPUT.—

''(A) REQUESTS AUTHORIZED.—The Governor of a State may submit requests to the Secretary of the Interior to designate Corridors on Federal land in that State.

''(B) CONSIDERATION OF REQUESTS.—After receiving such a request, the Secretary shall respond in writing, within 30 days—

''(i) acknowledging receipt of the request; and

''(ii) setting forth a timeline in which the Secretary shall grant, deny, or modify such request and state the reasons for doing so.

''(5) SPATIAL DISTRIBUTION OF CORRIDORS.—In implementing this subsection, the Secretary shall coordinate with other Federal Departments to—

''(A) minimize the proliferation of duplicative natural gas pipeline rights-of-way on Federal lands where feasible;

''(B) ensure Corridors can connect effectively across Federal lands; and

''(C) utilize input from utility and pipeline industries submitting applications for rights-of-way to site corridors in economically feasible areas that reduce impacts, to the extent practicable, on local communities.

''(6) NOT A MAJOR FEDERAL ACTION.—Designation of a Corridor under this subsection, and incorporation of Corridors into agency plans under paragraph (1)(B), shall not be treated as a major Federal action for purpose of section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332).

''(7) NO LIMIT ON NUMBER OR LENGTH OF CORRIDORS.—Nothing in this subsection limits the number or physical dimensions of Corridors that the Secretary may designate under this subsection.

''(8) OTHER AUTHORITY NOT AFFECTED.—Nothing in this subsection affects the authority of the Secretary to issue rights-of-way on Federal land that is not located in a Corridor designated under this subsection.

''(9) NEPA CLARIFICATION.—All applications for rights-of-way for natural gas transmission facilities across Corridors designated under this subsection shall be subject to the environmental protections outlined in subsection (h).''.

(b) APPLICATIONS RECEIVED BEFORE DESIGNATION OF CORRIDORS.—Any application for a right-of-way under section 28 of the Mineral Leasing Act (30 U.S.C. 185) that is received by the Secretary of the Interior before designation of National Energy Security Corridors under the amendment made by subsection (a) of this section shall be reviewed and acted upon independently by the Secretary without regard to the process for such designation.

(c) DEADLINE.—Within 2 years after the date of the enactment of this Act, the Secretary of the Interior shall designate at least 10 National Energy Security Corridors under the amendment made by subsection (a) in contiguous States referred to in section 368(b) of the Energy Policy Act of 2005 (42 U.S.C. 15926(b)).

SEC. 5003. NOTIFICATION REQUIREMENT.

The Secretary of the Interior shall promptly notify the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate of each instance in which any agency or official of the Department of the Interior fails to comply with any schedule established under section 15(c) of the Natural Gas Act (15 U.S.C. 717n(c)).

TITLE VI—ELECTRICITY RELIABILITY AND FOREST PROTECTION

SEC. 6001. SHORT TITLE.

This title may be cited as the ''Electricity Reliability and Forest Protection Act''.

SEC. 6002. VEGETATION MANAGEMENT, FACILITY INSPECTION, AND OPERATION AND MAINTENANCE ON FEDERAL LANDS CONTAINING ELECTRIC TRANSMISSION AND DISTRIBUTION FACILITIES.

(a) IN GENERAL.—Title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.) is amended by adding at the end the following new section:

"SEC. 512. VEGETATION MANAGEMENT, FACILITY INSPECTION, AND OPERATION, AND MAINTENANCE RELATING TO ELECTRIC TRANSMISSION AND DISTRIBUTION FACILITY RIGHTS-OF-WAY.

''(a) GENERAL DIRECTION.—In order to enhance the reliability of the electricity grid and reduce the threat of wildfires to and from electric transmission and distribution rights-of-way and related facilities and adjacent property, the Secretary, with respect to public lands and other lands under the jurisdiction of the Secretary, and the Secretary of Agriculture, with respect to National Forest System lands, shall provide direction to ensure that all existing and future rights-of-way, however established (including by grant, special use authorization, and easement), for electrical transmission and distribution facilities on such lands include provisions for utility vegetation management, facility inspection, and operation and maintenance activities that, while consistent with applicable law—

''(1) are developed in consultation with the holder of the right-of-way;

''(2) enable the owner or operator of a facility to operate and maintain the facility in good working order and to comply with Federal, State and local electric system reliability and fire safety requirements, including reliability standards established by

the North American Electric Reliability Corporation and plans to meet such reliability standards;

''(3) minimize the need for case-by-case or annual approvals for—

''(A) routine vegetation management, facility inspection, and operation and maintenance activities within existing electrical transmission and distribution rights-of-way; and

''(B) utility vegetation management activities that are necessary to control hazard trees within or adjacent to electrical transmission and distribution rights-of-way; and

''(4) when review is required, provide for expedited review and approval of utility vegetation management, facility inspection, and operation and maintenance activities, especially activities requiring prompt action to avoid an adverse impact on human safety or electric reliability to avoid fire hazards.

''(b) VEGETATION MANAGEMENT, FACILITY INSPECTION, AND OPERATION AND MAINTENANCE PLANS.—

''(1) DEVELOPMENT AND SUBMISSION.—Consistent with subsection (a), the Secretary and the Secretary of Agriculture shall provide owners and operators of electric transmission and distribution facilities located on lands described in such sub-

section with the option to develop and submit a vegetation management, facility inspection, and operation and maintenance plan, that at each owner or operator's transmission discretion may cover some or all of the owner or operator's transmission and distribution rights-of-way on Federal lands, for approval to the Secretary with jurisdiction over the lands. A plan under this paragraph shall enable the owner or operator of a facility, at a minimum, to comply with applicable Federal, State, and local electric system reliability and fire safety requirements, as provided in subsection (a)(2). The Secretaries shall not have the authority to modify those requirements.

''(2) REVIEW AND APPROVAL PROCESS.—The Secretary and the Secretary of Agriculture shall jointly develop a consolidated and coordinated process for review and approval of—

''(A) vegetation management, facility inspection, and operation and maintenance plans submitted under paragraph (1) that—

''(i) assures prompt review and approval not to exceed 90 days;

''(ii) includes timelines and benchmarks for agency comments to submitted plans and final approval of such plans;

''(iii) is consistent with applicable law; and

''(iv) minimizes the costs of the process to the reviewing agency and the entity submitting the plans; and

''(B) amendments to the plans in a prompt manner if changed conditions necessitate a modification to a plan.

''(3) NOTIFICATION.—The review and approval process under paragraph (2) shall—

''(A) include notification by the agency of any changed conditions that warrant a modification to a plan;

''(B) provide an opportunity for the owner or operator to submit a proposed plan amendment to address directly the changed condition; and

''(C) allow the owner or operator to continue to implement those elements of the approved plan that do not directly and adversely affect the condition precipitating the need for modification.

''(4) CATEGORICAL EXCLUSION PROCESS.—The Secretary and the Secretary of Agriculture shall apply his or her categorical exclusion process under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) to plans developed under this subsection on existing transmission and distribution rights-of-way under this subsection.

''(5) IMPLEMENTATION.—A plan approved under this subsection shall become part of the authorization governing the covered right-of-way and hazard trees adjacent to the right-of-way. If a vegetation management plan is proposed for an existing transmission and distribution facility concurrent with the siting of a new transmission or distribution facility, necessary reviews shall be completed as part of the siting process or sooner. Once the plan is approved, the owner or operator shall provide the agency with only a notification of activities anticipated to be undertaken in the coming year, a description of those activities, and certification that the activities are in accordance with the plan.

''(6) DEFINITIONS.—In this subsection:

''(A) VEGETATION MANAGEMENT, FACILITY INSPECTION, AND OPERATION AND MAINTENANCE PLAN.—The term 'vegetation manage-

ment, facility inspection, and operation and maintenance plan' means a plan that—

''(i) is prepared by the owner or operator of one or more electrical transmission or distribution facilities to cover one or more electric transmission and distribution rights-of-way; and

''(ii) provides for the long-term, cost-effective, efficient and timely management of facilities and vegetation within the width of the right-of-way and adjacent Federal lands to enhance electricity reliability, promote public safety, and avoid fire hazards.

''(B) OWNER OR OPERATOR.—The terms 'owner' and 'operator' include contractors or other agents engaged by the owner or operator of a facility.

''(C) HAZARD TREE.—The term 'hazard tree' means any tree inside the right-of-way or located outside the right-of-way that has been found by the either the owner or operator of a transmission or distribution facility, or the Secretary or the Secretary of Agriculture, to be likely to fail and cause a high risk of injury, damage, or disruption within 10 feet or less of

an electric power line or related structure if it fell.

''(c) RESPONSE TO EMERGENCY CONDITIONS.—If vegetation on Federal lands within, or hazard trees on Federal lands adjacent to, an electrical transmission or distribution right-of-way granted by the Secretary or the Secretary of Agriculture has contacted or is in imminent danger of contacting one or more electric transmission or distribution lines, the owner or operator of the transmission or distribution lines—

''(1) may prune or remove the vegetation to avoid the disruption of electric service and risk of fire; and

''(2) shall notify the appropriate local agent of the relevant Secretary not later than 24 hours after such removal.

''(d) COMPLIANCE WITH APPLICABLE RELIABILITY AND SAFETY STANDARDS.—If vegetation on Federal lands within or adjacent to an electrical transmission or distribution right-of-way under the jurisdiction of each Secretary does not meet clearance requirements under standards established by the North American Electric Reliability Corporation, or by State and local authorities, and the Secretary having jurisdiction over the lands has failed to act to allow a transmission or distribution facility owner

or operator to conduct vegetation management activities within 3 business days after receiving a request to allow such activities, the owner or operator may, after notifying the Secretary, conduct such vegetation management activities to meet those clearance requirements.

''(e) REPORTING REQUIREMENT.—The Secretary or Secretary of Agriculture shall report requests and actions made under subsections (c) and (d) annually on each Secretary's website.

''(f) LIABILITY.—An owner or operator of a transmission or distribution facility shall not be held liable for wildfire damage, loss or injury, including the cost of fire suppression, if—

''(1) the Secretary or the Secretary of Agriculture fails to allow the owner or operator to operate consistently with an approved vegetation management, facility inspection, and operation and maintenance plan on Federal lands under the relevant Secretary's jurisdiction within or adjacent to a right-of-way to comply with Federal, State or local electric system reliability and fire safety standards, including standards established by the North American Electric Reliability Corporation; or

''(2) the Secretary or the Secretary of Agriculture fails to allow the owner or operator of the

transmission or distribution facility to perform appropriate vegetation management activities in response to an identified hazard tree as defined under subsection (b)(6), or a tree in imminent danger of contacting the owner's or operator's transmission or distribution facility.

''(g) TRAINING AND GUIDANCE.—In consultation with the electric utility industry, the Secretary and the Secretary of Agriculture are encouraged to develop a program to train personnel of the Department of the Interior and the Forest Service involved in vegetation management decisions relating to transmission and distribution facilities to ensure that such personnel—

''(1) understand electric system reliability and fire safety requirements, including reliability standards established by the North American Electric Reliability Corporation;

''(2) assist owners and operators of transmission and distribution facilities to comply with applicable electric reliability and fire safety requirements; and

''(3) encourage and assist willing owners and operators of transmission and distribution facilities to incorporate on a voluntary basis vegetation management practices to enhance habitats and forage

for pollinators and for other wildlife so long as the practices are compatible with the integrated vegetation management practices necessary for reliability and safety.

''(h) IMPLEMENTATION.—The Secretary of the Interior and the Secretary of Agriculture shall—

''(1) not later than one year after the date of the enactment of this section, prescribe regulations, or amend existing regulations, to implement this section; and

''(2) not later than two years after the date of the enactment of this section, finalize regulations, or amend existing regulations, to implement this section.

''(i) EXISTING VEGETATION MANAGEMENT, FACILITY INSPECTION AND OPERATION AND MAINTENANCE PLANS.—Nothing in this section requires an owner or operator to develop and submit a vegetation management, facility inspection, and operation and maintenance plan if one has already been approved by the Secretary or Secretary of Agriculture before the date of the enactment of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections for the Federal Land Policy and Management Act of 1976

(43 U.S.C. 1761 et seq.), is amended by inserting after the item relating to section 511 the following new item:

"Sec. 512. Vegetation management, facility inspection, and operation, and maintenance relating to electric transmission and distribution facility rights-of-way.".